



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

PRESS RELEASE

FINANCIAL RESULTS AND INTERIM DIVIDEND

- * For the six months ended 30th September, 2020, the Group's turnover was HK\$981.1 million, a decrease of 42.7 per cent..
- * The catastrophic retail climate in Hong Kong resulted in a 47.4 per cent. decrease in turnover during the period. The Group succeeded in offsetting this decrease through a substantial increase in profit contribution from the investment portfolio, a doubling of profit in Taiwan, profit contribution from China and tight control in operating costs at all levels of operation.
- * Net profit attributable to equity shareholders was HK\$133.4 million (2019 : HK\$119.0 million). The Group's investment portfolio contributed a net profit of HK\$62.2 million (2019 : HK\$11.8 million).
- * In view of these results, the Board has resolved to declare an interim dividend of HK8 cents (2019 : HK8 cents) per ordinary share.

BUSINESS REVIEW

- * During the period under review, the Group faced one of the worst retail environments that Hong Kong has ever faced as a result of the continued outbreak of COVID-19. The pandemic has resulted in Hong Kong's unemployment rate soaring to a level not seen in nearly 16 years, while GDP experienced record declines during the year. Meanwhile, tourism has literally come to a complete halt. This has resulted in Hong Kong's retail sales declining for 20 months in a row on a year-on-year basis. As a result, the Group's turnover in Hong Kong decreased by 47.4 per cent. during the period and the Group's retail operations in Hong Kong incurred substantial negative cash flows.
- * In Taiwan, the Group achieved profits increase of over 100 per cent. in the first half. This is a direct result of continued improvement in consumer sentiment, together with margin improvement and aggressive cost and inventory control.
- * In China, the Group successfully restructured its organisation and expanded both its retail and digital presence, while growing like-for-like sales of its retail stores significantly. This has successfully enabled the Group to turnaround its China operation from loss making to profits contributing.



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

- * The investment market has continued to be extremely volatile as a result of the worldwide impact of COVID-19. The Group has always been very cautious in managing its investment portfolio and has succeeded in achieving a profit of HK\$62.2 million during the period under review.

FULL YEAR PROSPECTS

- * The Group is extremely pessimistic about the retail climate in Hong Kong. With the arrival of the fourth wave of the coronavirus and with the Employment Support Scheme from the Government coming to an end on 30th November this year, the unemployment rate in Hong Kong may further increase and local consumer sentiment may further weaken from the current depressed levels. Despite the possibilities of the re-opening of our borders with China and other Asian countries in the near future, the Group does not expect a significant return of tourists in the foreseeable future.
- * On the investment side, the Group will continue to seek new investment opportunities to diversify and broaden its earnings base.
- * The Group will continue to employ the most conservative approach to manage its retail network and will continue to rigorously control costs at all levels of operation. With its strong balance sheet, the Group is confident in coping with Hong Kong's recession and the very difficult retail climate.

Hong Kong, 26th November, 2020