



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

PRESS RELEASE

- * For the financial year ended 31st March, 2017, the Group achieved sales of HK\$3,144.8 million, a decrease of 13.2 per cent.. Comparable store sales increased marginally by 1.2 per cent..
- * Net profit attributable to equity shareholders was HK\$80.2 million. The investment portfolio contributed a net profit of HK\$74.2 million through its long term direct investments and securities held for trading.
- * It should be noted that the turnaround is mainly due to reduction in operating costs and expenses as a result of tight control at all levels of operation, profit contribution from investments, and absence of the impairment charges for intangible asset and fixed assets relating to certain retail stores made in the previous year. The retail climate remains to be weak in our core markets of Hong Kong, China and Taiwan.

FINANCIAL RESULTS AND FINAL DIVIDEND

- * Turnover for the financial year ended 31st March, 2017 was HK\$3,144.8 million, a decrease of 13.2 per cent. compared to HK\$3,621.3 million in the previous year.
- * Profit attributable to shareholders was HK\$80.2 million compared to a loss of HK\$288.2 million in the previous year.
- * In view of these results, the Board is recommending the payment of a final dividend of HK17 cents per ordinary shares, compared to a final dividend of HK11 cents per ordinary share in the previous year.
- * Shareholders will have an option to receive the final dividend either in cash or wholly or partly in the form of new and fully paid ordinary shares in lieu of cash under the Company's Scrip Dividend Scheme. A circular with details of the Scrip Dividend Scheme and the relevant election form are expected to be despatched to shareholders on or about Thursday, 10th August, 2017.



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REVIEW OF OPERATIONS

- * The Hong Kong retail market remained weak and volatile during the year as a result of continued decline in spending by Mainland Chinese visitors and local customers. In addition, the Group continued to face a very high operating cost base from rental and staff cost. The weak market condition is expected to persist in the new financial year.
- * The Taiwan retail market declined significantly due to a major drop in Mainland Chinese visitors and poor sentiment of local customers. As a result of the poor political relationship between Mainland China and Taiwan, there are no signs of improvement in the retail market condition.
- * The Group adopted a very cautious approach to its expansion and opened only 4 new shops during the year. Today, the Group's retail network totals 115 stores comprising 28 stores in Hong Kong, 16 in China, 58 in Taiwan, 5 in Singapore, 5 in Malaysia and 3 in Macau.
- * Geographically, Hong Kong contributed 73.3 per cent. of sales, Taiwan 19.5 per cent., China 2.5 per cent. and other territories 4.7 per cent..
- * In terms of sales mix, fashion and accessories represented 43.0 per cent., watches and jewellery 27.4 per cent., cosmetics and beauty products 28.9 per cent. and securities trading 0.7 per cent..
- * During the year, the Group diversified into securities trading, which together with direct investments, became another core business of the Group. This division made a net profit of HK\$74.2 million.



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FUTURE PROSPECTS

- * The retail climate in Hong Kong, China and South East Asia remains weak. Any strong recovery in the foreseeable future is not expected. As such, the Group will continue to rigorously control costs and expenses at all levels of operation and adopt a very cautious approach to its further expansion and development strategies.
- * On the investment side, the Group will continue to seek investment opportunities for long term direct investments as well as securities trading investments in major international markets.
- * With net cash of HK\$1,377.2 million and its strong balance sheet, the Group is in an excellent position to take advantage of any recovery in market condition as well as to undertake new investment opportunities to diversify and broaden its earnings base.

Hong Kong, 5th June, 2017