



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, 2021, the Group's turnover was HK\$998.9 million, an increase of 1.8 per cent. compared to HK\$981.1 million in the same period last year.
- * Net profit attributable to equity shareholders was HK\$135.3 million, an increase of 1.4 per cent. compared to HK\$133.4 million in the same period last year.
- * In view of these results, the Board has resolved to declare an interim dividend of HK8 cents (2020 : HK8 cents) per ordinary share.

BUSINESS REVIEW

- * During the period under review, the retail environment in Hong Kong remained extremely difficult as a result of COVID-19, coupled with very cautious consumer sentiment and a complete lack of tourists' spending in Hong Kong. These factors resulted in the Group only achieving a small increase in turnover of 5.3 per cent. despite aggressive promotional activities and a very low base last year.
- * In July 2021, the Group closed its Beauty Avenue store at Langham Place and re-located the store to Bank Centre in Mong Kok. The new 20,000 sq. ft. store officially opened on 18th November, 2021 and will benefit from significantly reduced fixed rent and higher customer traffic. The Group is confident in the new store's long-term success.
- * In Taiwan, the Group successfully overcame the disruption caused by the outbreak of COVID-19 since May 2021 and managed to achieve a 196 per cent. growth in profit as a result of continued margin improvement and aggressive cost and inventory control.
- * In China, the Group continued to record a very strong performance during the period under review. The Group's retail sales recorded an increase of 84 per cent., with physical retail stores increasing 29.1 per cent. and online retail sales increasing 402.6 per cent.. This has successfully enabled the Group to achieve a 155 per cent. increase in profit for the period under review.



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- * The investment market continued to be very volatile and some of our investment positions were negatively impacted by macro factors driving the global economy and market. While the Group had managed its investment portfolio cautiously, a loss of HK\$30.1 million was recorded during the period under review.

FUTURE PROSPECTS

- * The Group expects the retail climate in Hong Kong to remain difficult. With the continued outbreak of COVID-19 in different countries, uncertainty on the timing of the re-opening of borders and reduced support from various principals, the Group does not expect any real improvement in the retail performance of its existing businesses in Hong Kong in the foreseeable future.
- * While the Group is confident that its new 20,000 sq. ft. Beauty Avenue store in Mong Kok will be a long-term success, there will be short-term losses as a result of start-up and marketing costs incurred.
- * In Taiwan, barring another outbreak of COVID-19, the Group is very confident that the business in Taiwan will continue its very strong performance and profit growth.
- * In China, the Group expects to see continued strong growth for its online channels. For physical retail stores, the Group is cautiously optimistic given the recent resurgence of COVID-19 cases in China, coupled the high base last year.
- * 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 control costs rigorously at all levels of operation.
- * With net cash of HK\$2,174.4 million and its strong balance sheet, the Group is in a strong position to cope with the current difficult retail climate and identify investment opportunities as market conditions improve.

Hong Kong, 25th November, 2021