



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, 2022, the Group's turnover was HK\$1,008.6 million, an increase of 1.0 per cent. compared to HK\$998.9 million in the same period last year.
- * Net profit attributable to equity shareholders was HK\$155.3 million, an increase of 14.8 per cent. compared to HK\$135.3 million in the same period last year.
- * In view of these results, the Board has resolved to declare an interim dividend of HK8 cents (2021: 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 the outbreak of the 5th wave of COVID-19 since January 2022, coupled with very cautious consumer sentiment and a complete lack of tourists' spending in Hong Kong. These factors resulted in the Group recording a 10.9 per cent. decrease in sales turnover despite very aggressive promotional activities.
- * In Taiwan, the Group successfully overcame the outbreak of the Omicron variant of COVID-19 since April 2022 and managed to achieve a 26.6 per cent. growth in sales turnover and record profits with an increase of 194.8 per cent. during the period. This is a direct result of continued margin improvement and aggressive cost and inventory control.
- * In China, sales of the Group's retail and wholesale business grew by 2.7 per cent. in local currency terms during the period. This is despite significant impact from COVID-19 related restrictions, which resulted in all of the Group's key stores experiencing periods of temporary closure, alongside significant disruptions to logistics and supply chain, which impacted the Group's online business.
- * 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. The Group managed its investment portfolio cautiously and achieved a profit of HK\$4.7 million during the period under review.



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FUTURE PROSPECTS

- * The Group expects the retail climate in Hong Kong to be very difficult. The downturn in the stock and property markets combined with inflation and increasing interest rates will undoubtedly have a significant and negative impact on consumer spendings. Furthermore, uncertainty over the timing of the opening of the borders with Mainland China adds to the pessimistic outlook.
- * The Taiwan market was our strongest market during the period with record profits. The Group remains to be cautiously optimistic with the business in Taiwan for the remainder of the year.
- * In China, the Group is seeing gradual signs of recovery across its physical and digital channels. However, performance for the remainder of the financial year remains highly susceptible to any further COVID-19 restrictions, which can result in significant disruptions and a negative impact on sales and profitability.
- * 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\$2,026.5 million and its strong balance sheet, the Group is in a strong position to cope with the risk of an imminent worldwide recession and the very difficult retail climate.

Hong Kong, 28th November, 2022