



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

**INTERIM REPORT**  
**2017-2018**

Stock Code : 0113



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## **CORPORATE INFORMATION**

### **Board of Directors :**

#### **Group Executive Chairman :**

Dickson Poon

#### **Executive Directors :**

Chan Tsang Wing, Nelson

**(Chief Operating Officer) \***

Chan Hon Chung, Johnny Pollux

Lau Yu Hee, Gary

#### **Independent Non-Executive Directors :**

Bhanusak Asvaintra

Nicholas Peter Etches

Leung Kai Hung, Michael

### **Company Secretary :**

Or Suk Ying, Stella

### **Audit Committee :**

Nicholas Peter Etches **(Chairman)**

Bhanusak Asvaintra

Leung Kai Hung, Michael

### **Nomination Committee :**

Dickson Poon **(Chairman)**

Bhanusak Asvaintra

Nicholas Peter Etches

### **Remuneration Committee :**

Bhanusak Asvaintra **(Chairman)**

Chan Hon Chung, Johnny Pollux #

Chan Tsang Wing, Nelson \*

Nicholas Peter Etches

### **Independent Auditor :**

KPMG

Certified Public Accountants,

Hong Kong.

### **Head Office and Principal Place of Business :**

4th Floor, East Ocean Centre,

98 Granville Road,

Tsimshatsui East,

Kowloon, Hong Kong.

### **Registered Office :**

Clarendon House,

2 Church Street,

Hamilton HM 11,

Bermuda.

### **Principal Bankers :**

BNP Paribas

Crédit Agricole Corporate and Investment Bank

Standard Chartered Bank (Hong Kong) Limited

The Hongkong and Shanghai Banking

Corporation Limited

### **Share Registrar in Hong Kong :**

Tricor Tengis Limited

Level 22, Hopewell Centre,

183 Queen's Road East,

Hong Kong.

### **Share Registrar in Bermuda :**

Conyers Corporate Services (Bermuda) Limited

Clarendon House,

2 Church Street,

Hamilton HM 11,

Bermuda.

### **Place of Share Listing :**

The Stock Exchange of Hong Kong Limited

### **Stock Code :**

The Stock Exchange of Hong Kong Limited :

0113

### **Website :**

<http://www.dickson.com.hk>

\* Will retire and resign with effect from 31st December, 2017.

# Appointed with effect from 31st December, 2017.

The board of directors (“the Board”) of Dickson Concepts (International) Limited (“the Company”) announces that the unaudited consolidated results of the Company and its subsidiary companies (together “the Group”) for the six months ended 30th September, 2017 together with the comparative figures are as follows :-

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the period ended 30th September, 2017

|   | NOTE | Six months ended 30th September, |                                 |
|---|------|----------------------------------|---------------------------------|
|   |      | 2017<br>(unaudited)<br>HK\$'000  | 2016<br>(unaudited)<br>HK\$'000 |
| <b>Revenue</b>  | 2    | <b>1,576,067</b>                 | 1,411,538                       |
| Cost of sales   |      | <u>(849,511)</u>                 | <u>(727,491)</u>                |
| <b>Gross profit</b>   |      | <b>726,556</b>                   | 684,047                         |
| Other income  | 3    | <b>18,602</b>                    | 58,240                          |
| Selling and distribution expenses   |      | <b>(616,741)</b>                 | (611,235)                       |
| Administrative expenses   |      | <b>(90,141)</b>                  | (95,126)                        |
| Other operating expenses  |      | <u><b>(28,414)</b></u>           | <u>(31,158)</u>                 |
| <b>Operating profit</b>   |      | <b>9,862</b>                     | 4,768                           |
| Finance costs   |      | <b>(639)</b>                     | (614)                           |
| Share of loss of an associated company  |      | <u><b>(1)</b></u>                | <u>—</u>                        |
| <b>Profit before taxation</b>   | 4    | <b>9,222</b>                     | 4,154                           |
| Taxation  | 5    | <u><b>(1,172)</b></u>            | <u>(2,422)</u>                  |
| <b>Profit for the period attributable to equity shareholders of the Company</b> |      | <u><b>8,050</b></u>              | <u>1,732</u>                    |
| <b>Earnings per share</b> (basic and diluted)                                   | 6    | <u><b>2.1 cents</b></u>          | <u>0.5 cents</u>                |

The notes on pages 9 to 21 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in Note 7.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 30th September, 2017

**Six months ended 30th September,**

|   | <b>2017</b>          | <b>2016</b>         |
|---|----------------------|---------------------|
|   | <b>(unaudited)</b>   | <b>(unaudited)</b>  |
|   | <b>HK\$'000</b>      | <b>HK\$'000</b>     |
| <b>Profit for the period</b>  | <b>8,050</b>         | <b>1,732</b>        |
| <b>Other comprehensive income for the period :</b>  |                      |                     |
| Items that may be reclassified subsequently to profit or loss :   |                      |                     |
| Exchange differences on translation of accounts<br>of overseas subsidiary and associated companies (Note)   | <u>7,081</u>         | <u>3,471</u>        |
| Available-for-sale equity securities :  |                      |                     |
| Changes in fair value recognised during the period  | —                    | 49,228              |
| Reclassification adjustments for amounts transferred<br>to profit or loss :                                 |                      |                     |
| — gains on disposal (Note 3)  | <u>—</u>             | <u>(50,036)</u>     |
| Net movement in the fair value reserve during the<br>period recognised in other comprehensive income (Note) | <u>—</u>             | <u>(808)</u>        |
| <b>Other comprehensive income for the period</b>  | <b><u>7,081</u></b>  | <b><u>2,663</u></b> |
| <b>Total comprehensive income for the period attributable<br/>to equity shareholders of the Company</b>     | <b><u>15,131</u></b> | <b><u>4,395</u></b> |

*Note :-*

There is no tax effect relating to the above components of the comprehensive income.

The notes on pages 9 to 21 form part of this interim financial report.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30th September, 2017

|  | NOTE | 30/9/2017<br>(unaudited)<br>HK\$'000 | 31/3/2017<br>(audited)<br>HK\$'000 |
|--|------|--------------------------------------|------------------------------------|
| <b>Non-current assets</b>  |      |                                      |                                    |
| Property, plant and equipment  |      | 127,671                              | 140,787                            |
| Associated company   |      | 24,416                               | 23,354                             |
| Deferred tax assets  |      | 2,474                                | 2,460                              |
| Other financial assets   | 8    | <u>176,824</u>                       | <u>176,824</u>                     |
|  |      | <b>331,385</b>                       | <b>343,425</b>                     |
| <b>Current assets</b>  |      |                                      |                                    |
| Inventories  |      | 619,628                              | 645,186                            |
| Debtors, deposits and prepayments                                      | 9    | 310,334                              | 286,122                            |
| Tax recoverable  |      | 2,585                                | 3,049                              |
| Other financial assets   | 8    | 105,526                              | 78,971                             |
| Cash and bank balances   |      | <u>1,446,707</u>                     | <u>1,420,372</u>                   |
|  |      | <b>2,484,780</b>                     | <b>2,433,700</b>                   |
| <b>Current liabilities</b>   |      |                                      |                                    |
| Bank loans   | 10   | 65,465                               | 43,156                             |
| Bills payable  |      | 171                                  | 897                                |
| Creditors and accruals   | 11   | 628,738                              | 598,106                            |
| Taxation   |      | <u>13,456</u>                        | <u>15,336</u>                      |
|  |      | <b>707,830</b>                       | <b>657,495</b>                     |
| <b>Net current assets</b>  |      | <b>1,776,950</b>                     | <b>1,776,205</b>                   |
| <b>Total assets less current liabilities</b>                           |      | <b>2,108,335</b>                     | <b>2,119,630</b>                   |
| <b>Non-current liabilities</b>   |      |                                      |                                    |
| Deferred tax liabilities   |      | 24,069                               | 24,482                             |
| Amount due to an associated company                                    |      | <u>23,834</u>                        | <u>22,801</u>                      |
| <b>Net assets</b>  |      | <b>2,060,432</b>                     | <b>2,072,347</b>                   |
| <b>Capital and reserves</b>  |      |                                      |                                    |
| Share capital  | 12   | 117,975                              | 114,135                            |
| Reserves   |      | <u>1,942,457</u>                     | <u>1,958,212</u>                   |
| <b>Total equity attributable to equity shareholders of the Company</b> |      | <b>2,060,432</b>                     | <b>2,072,347</b>                   |

The notes on pages 9 to 21 form part of this interim financial report.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30th September, 2017

|  | Attributable to equity shareholders of the Company |  |   |   |   |                                  |
|--|--|--|---|---|---|----------------------------------|
|  | Share capital<br>HK\$'000<br>(unaudited)           | Share premium<br>HK\$'000<br>(unaudited) | Exchange reserve<br>HK\$'000<br>(unaudited) | Fair value reserve<br>HK\$'000<br>(unaudited) | Retained profits<br>HK\$'000<br>(unaudited) | Total<br>HK\$'000<br>(unaudited) |
| <b>At 1st April, 2017</b>  | <b>114,135</b>                                     | <b>476,065</b>                           | <b>114,128</b>                              | <b>—</b>                                      | <b>1,368,019</b>                            | <b>2,072,347</b>                 |
| Dividends approved / paid<br>in respect of prior year<br>(Note 7(b)) |  |  |   |   |   |                                  |
| — by means of cash   | —  | —  | —   | —   | (27,046)                                    | (27,046)                         |
| — by means of scrip dividend<br>(Note 12)                            | 3,840  | 33,791                                   | —   | —   | (37,631)                                    | —                                |
| Profit for the period  | —  | —  | —   | —   | 8,050                                       | 8,050                            |
| Other comprehensive income<br>for the period                         | —  | —  | 7,081                                       | —   | —   | 7,081                            |
| <b>At 30th September, 2017</b>                                       | <b>117,975</b>                                     | <b>509,856</b>                           | <b>121,209</b>                              | <b>—</b>                                      | <b>1,311,392</b>                            | <b>2,060,432</b>                 |

The comparative figures for 2016 are set out as follows :-

|  | Attributable to equity shareholders of the Company |  |   |   |   |                                  |
|--|--|--|---|---|---|----------------------------------|
|  | Share capital<br>HK\$'000<br>(unaudited)           | Share premium<br>HK\$'000<br>(unaudited) | Exchange reserve<br>HK\$'000<br>(unaudited) | Fair value reserve<br>HK\$'000<br>(unaudited) | Retained profits<br>HK\$'000<br>(unaudited) | Total<br>HK\$'000<br>(unaudited) |
| <b>At 1st April, 2016</b>  | <b>114,135</b>                                     | <b>476,065</b>                           | <b>97,635</b>                               | <b>808</b>                                    | <b>1,328,890</b>                            | <b>2,017,533</b>                 |
| Dividends approved / paid<br>in respect of prior year<br>(Note 7(b)) |  |  |   |   |   |                                  |
| — by means of cash   | —  | —  | —   | —   | (41,850)                                    | (41,850)                         |
| Profit for the period  | —  | —  | —   | —   | 1,732                                       | 1,732                            |
| Other comprehensive income<br>for the period                         | —  | —  | 3,471                                       | (808)   | —   | 2,663                            |
| <b>At 30th September, 2016</b>                                       | <b>114,135</b>                                     | <b>476,065</b>                           | <b>101,106</b>                              | <b>—</b>                                      | <b>1,288,772</b>                            | <b>1,980,078</b>                 |

The notes on pages 9 to 21 form part of this interim financial report.



# CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the period ended 30th September, 2017

|   | Six months ended 30th September, |                                 |
|---|----------------------------------|---------------------------------|
|   | 2017<br>(unaudited)<br>HK\$'000  | 2016<br>(unaudited)<br>HK\$'000 |
| <b>Operating profit / (loss) before changes in working capital</b> (Note a) | <b>29,835</b>                    | (22,733)                        |
| <b>Changes in working capital</b> (Note b)                                  | <u><b>(42,182)</b></u>           | <u>(83,211)</u>                 |
| <b>Cash used in operations</b>  | <b>(12,347)</b>                  | (105,944)                       |
| <b>Tax paid (net)</b>   | <u><b>(3,010)</b></u>            | <u>(7,240)</u>                  |
| <b>Net cash used in operating activities</b>                                | <u><b>(15,357)</b></u>           | <u>(113,184)</u>                |
| Payment for purchase of property, plant and equipment                       | <b>(16,979)</b>                  | (69,166)                        |
| Net proceeds from sales / redemption of other financial assets              | <b>50,863</b>                    | 154,911                         |
| Other cash flows arising from investing activities                          | <u><b>10,755</b></u>             | <u>8,244</u>                    |
| <b>Net cash generated from investing activities</b>                         | <u><b>44,639</b></u>             | <u>93,989</u>                   |
| <b>Net cash used in financing activities</b>                                | <u><b>(6,053)</b></u>            | <u>(77,553)</u>                 |
| <b>Net increase / (decrease) in cash and cash equivalents</b>               | <b>23,229</b>                    | (96,748)                        |
| <b>Cash and cash equivalents at 1st April</b>                               | <b>1,420,372</b>                 | 1,354,909                       |
| <b>Effect of foreign exchange rate changes</b>                              | <u><b>3,106</b></u>              | <u>(3,510)</u>                  |
| <b>Cash and cash equivalents at 30th September</b> (Note c)                 | <u><b>1,446,707</b></u>          | <u>1,254,651</u>                |

Notes :-

- Operating profit / (loss) before changes in working capital is arrived at after adjusting for depreciation (Note 4), gain on disposal of available-for-sale equity securities (Note 3), interest income (Note 3) and other non-cash items.
- Changes in working capital for the period include increase in investment in securities held for trading of HK\$77,209,000 (2016 : Nil).
- Cash and cash equivalents represent cash and bank balances at the end of the period.

The notes on pages 9 to 21 form part of this interim financial report.

# NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT

## 1. PRINCIPAL ACCOUNTING POLICIES

### (a) Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities (“the Listing Rules”) On The Stock Exchange of Hong Kong Limited (“the Stock Exchange”), including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 29th November, 2017.

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2017 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2018 annual financial statements. Details of any changes in accounting policies are set out in Note 1(b).

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2017 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”, which term collectively includes all applicable individual HKFRSs, HKASs and Interpretations issued by the HKICPA).

This interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG’s independent review report to the Board is included on page 22. In addition, this interim financial report has been reviewed by the Company’s Audit Committee.

The financial information relating to the financial year ended 31st March, 2017 that is included in the interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified and did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report.

**(b) Changes in accounting policies**

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this financial report.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 2. REVENUE / SEGMENTAL INFORMATION

**(a) Revenue**

The principal activities of the Group are the Sale of Luxury Goods and Securities Investment.

Revenue represents the invoiced value of goods sold less discounts and returns, income from concession and consignment sales, and net realised gain / (loss) on trading of securities investment.

The amount of each significant category of revenue is as follows :-

|                                    | <b>Six months ended 30th September,</b> |                 |
|------------------------------------|---|-----------------|
|                                    | <b>2017</b>                             | <b>2016</b>     |
|                                    | <b>HK\$'000</b>                         | <b>HK\$'000</b> |
| Revenue from Sale of Luxury Goods  |   |                 |
| Fashion and accessories            | <b>589,116</b>                          | 598,897         |
| Watches and jewellery              | <b>504,976</b>                          | 421,945         |
| Cosmetics and beauty products      | <b>478,826</b>                          | 390,696         |
|                                    | <b>1,572,918</b>                        | 1,411,538       |
| Revenue from Securities Investment | <b>3,149</b>                            | —               |
|                                    | <b>1,576,067</b>                        | 1,411,538       |

Information about major customers

The Group sells goods to numerous individual customers without concentration of reliance. There is no disclosable information of major customers under HKFRS8, *operating segments*.

**(b) Segment reporting**

The Group manages its businesses by divisions. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purpose of resource allocation and performance assessment, the Group has presented the following two reportable segments :-

Sale of Luxury Goods business : The sale of luxury goods to retail and wholesale customers.

Securities Investment business : The investment in listed and unlisted securities.

**(i) Segment results**

Information regarding the Group's reportable segments for the six months ended 30th September, 2017 and 30th September, 2016 respectively is set out below.

|   | <b>Sale of<br/>Luxury Goods</b>             |                  | <b>Securities<br/>Investment</b>            |                 | <b>Total</b>                                |                  |
|---|---|------------------|---|-----------------|---|------------------|
|   | <b>Six months ended<br/>30th September,</b> |                  | <b>Six months ended<br/>30th September,</b> |                 | <b>Six months ended<br/>30th September,</b> |                  |
|   | <b>2017</b>                                 | <b>2016</b>      | <b>2017</b>                                 | <b>2016</b>     | <b>2017</b>                                 | <b>2016</b>      |
|   | <b>HK\$'000</b>                             | <b>HK\$'000</b>  | <b>HK\$'000</b>                             | <b>HK\$'000</b> | <b>HK\$'000</b>                             | <b>HK\$'000</b>  |
| Revenue<br>from<br>external<br>customers              | <u><b>1,572,918</b></u>                     | <u>1,411,538</u> | <u><b>3,149</b></u>                         | <u>—</u>        | <u><b>1,576,067</b></u>                     | <u>1,411,538</u> |
| <b>Reportable<br/>segment<br/>revenue</b>             | <u><b>1,572,918</b></u>                     | <u>1,411,538</u> | <u><b>3,149</b></u>                         | <u>—</u>        | <u><b>1,576,067</b></u>                     | <u>1,411,538</u> |
| <b>Reportable<br/>segment<br/>profit /<br/>(loss)</b> | <b>43,803</b>                               | (827)            | <b>5,284</b>                                | 51,997          | <b>49,087</b>                               | 51,170           |

Revenue and expenses are allocated to the reportable segments with reference to the sales generated and expenses incurred by those segments. The measure used for reporting segment profit / (loss) is adjusted profit / (loss) before taxation. The adjusted profit / (loss) before taxation is measured consistently with the Group's profit / (loss) before taxation except that certain interest income, unallocated expenses and certain finance costs are excluded from such measurement.

(ii) Reconciliations of reportable segment revenues and profit or loss

**Revenue**

No reconciliation of revenue is required as the total reportable segments' figure is equal to the Group's consolidated figure.

|   | <b>Six months ended 30th September,</b> |                 |
|---|---|-----------------|
|   | <b>2017</b>                             | <b>2016</b>     |
|   | <b>HK\$'000</b>                         | <b>HK\$'000</b> |
| <b>Profit</b>                                 |   |                 |
| Reportable segment profit                     | <b>49,087</b>                           | 51,170          |
| Unallocated interest income and other revenue | <b>11,234</b>                           | 5,185           |
| Other unallocated central overheads           | <b>(51,099)</b>                         | (52,201)        |
| Consolidated profit before taxation           | <b><u>9,222</u></b>                     | <u>4,154</u>    |

(iii) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment and interest in an associated company. The geographical location of customers is based on the location at which the goods are delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, and the location of operations, in the case of interest in an associated company.

|                                  | <b>Revenues from external customers</b> |                  | <b>Specified non-current assets</b> |                  |
|----------------------------------|---|------------------|-------------------------------------|------------------|
|                                  | <b>Six months ended 30th September,</b> |                  |                                     |                  |
|                                  | <b>2017</b>                             | <b>2016</b>      | <b>30/9/2017</b>                    | <b>31/3/2017</b> |
|                                  | <b>HK\$'000</b>                         | <b>HK\$'000</b>  | <b>HK\$'000</b>                     | <b>HK\$'000</b>  |
| Hong Kong<br>(place of domicile) | <b>1,191,737</b>                        | 1,014,912        | <b>94,562</b>                       | 101,011          |
| Taiwan                           | <b>290,345</b>                          | 297,122          | <b>21,525</b>                       | 25,270           |
| China                            | <b>43,286</b>                           | 30,367           | <b>27,643</b>                       | 27,408           |
| Singapore /<br>Malaysia          | <b>34,026</b>                           | 48,166           | <b>7,251</b>                        | 8,541            |
| Other territories                | <b>16,673</b>                           | 20,971           | <b>1,106</b>                        | 1,911            |
|                                  | <b><u>384,330</u></b>                   | <u>396,626</u>   | <b><u>57,525</u></b>                | <u>63,130</u>    |
| Total                            | <b><u>1,576,067</u></b>                 | <u>1,411,538</u> | <b><u>152,087</u></b>               | <u>164,141</u>   |

### 3. OTHER INCOME

|  | Six months ended 30th September, |                      |
|--|----------------------------------|----------------------|
|  | 2017                             | 2016                 |
|  | HK\$'000                         | HK\$'000             |
| Available-for-sale equity securities : reclassified from equity  |                                  |                      |
| — on disposal  | —                                | 50,036               |
| Dividend income from listed securities   | —                                | 388                  |
| Interest income  | <b>8,111</b>                     | 5,847                |
| Loss on disposal of property, plant and equipment  | <b>(618)</b>                     | (536)                |
| Net foreign exchange gain  | <b>8,457</b>                     | 468                  |
| Realised and unrealised gains from financial assets designated at fair value through profit or loss :- |                                  |                      |
| — interest income  | <b>1,562</b>                     | 1,506                |
| — net fair value gains   | <b>878</b>                       | 531                  |
| Unrealised gain on trading securities  | <b>212</b>                       | —                    |
|  | <b><u>18,602</u></b>             | <b><u>58,240</u></b> |

### 4. PROFIT BEFORE TAXATION

|   | Six months ended 30th September, |                      |
|---|----------------------------------|----------------------|
|   | 2017                             | 2016                 |
|   | HK\$'000                         | HK\$'000             |
| Profit before taxation is arrived at after charging :-            |                                  |                      |
| Depreciation  | <b>30,118</b>                    | 30,271               |
| Interest on bank overdrafts and loans repayable within five years | <b>639</b>                       | 614                  |
|   | <b><u>30,757</u></b>             | <b><u>30,885</u></b> |

## 5. TAXATION

|   | <b>Six months ended 30th September,</b> |                 |
|---|---|-----------------|
|   | <b>2017</b>                             | <b>2016</b>     |
|   | <b>HK\$'000</b>                         | <b>HK\$'000</b> |
| Current tax — Hong Kong Profits Tax               |   |                 |
| Provision for the period                          | —                                       | 135             |
| Under-provision in respect of prior years         | <u>38</u>                               | <u>128</u>      |
|   | <u>38</u>                               | <u>263</u>      |
| Current tax — Overseas                            |   |                 |
| Provision for the period                          | <b>1,405</b>                            | 7,781           |
| Under-provision in respect of prior years         | <u>141</u>                              | <u>161</u>      |
|   | <u>1,546</u>                            | <u>7,942</u>    |
| Deferred tax                                      |   |                 |
| Origination and reversal of temporary differences | <u>(412)</u>                            | <u>(5,783)</u>  |
| Total income tax expense                          | <u><b>1,172</b></u>                     | <u>2,422</u>    |

Taxation in the consolidated statement of profit or loss includes provision for Hong Kong Profits Tax at 16.5 per cent. (2016 : 16.5 per cent.) on the estimated assessable profits for the period after deducting tax losses brought forward from previous years.

Taxation for overseas subsidiary companies is charged at the appropriate current rates of taxation ruling in the relevant countries.

## 6. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the profit for the period attributable to ordinary equity shareholders of the Company of HK\$8,050,000 (2016 : HK\$1,732,000) and the weighted average number of 382,130,379 ordinary shares (2016 : 380,451,745 ordinary shares) in issue during the period.

Weighted average number of ordinary shares

|   | <b>Six months ended 30th September,</b>   |   |
|---|---|---|
|   | <b>2017</b>                               | <b>2016</b>                               |
|   | <b>Number<br/>of shares<br/>Thousands</b> | <b>Number<br/>of shares<br/>Thousands</b> |
| Issued ordinary shares at 1st April                             | <b>380,452</b>                            | 380,452                                   |
| Effect of scrip dividend (Note 12)                              | <u>1,678</u>                              | <u>—</u>                                  |
| Weighted average number of ordinary shares<br>at 30th September | <u><b>382,130</b></u>                     | <u>380,452</u>                            |

## 7. DIVIDENDS

|  | Six months ended 30th September, |                  |
|--|----------------------------------|------------------|
|  | 2017<br>HK\$'000                 | 2016<br>HK\$'000 |
| (a) Interim dividend declared after the interim period end : Nil (2016 : Nil)  | <u>—</u>                         | <u>—</u>         |
| (b) Final dividend in respect of the previous financial year, approved and paid during the interim period, of HK17 cents (for the year ended 31st March, 2016 : HK11 cents) per ordinary share | <u>64,677</u>                    | <u>41,850</u>    |

## 8. OTHER FINANCIAL ASSETS

|  | 30/9/2017<br>HK\$'000 | 31/3/2017<br>HK\$'000 |
|--|-----------------------|-----------------------|
| Non-current assets   |                       |                       |
| Unlisted available-for-sale equity securities                          | <u>176,824</u>        | <u>176,824</u>        |
| Current assets   |                       |                       |
| Listed debt securities designated at fair value through profit or loss | <u>28,213</u>         | <u>78,971</u>         |
| Investment in securities held for trading, at fair value               | <u>77,313</u>         | <u>—</u>              |
|  | <u>105,526</u>        | <u>78,971</u>         |
|  | <u>282,350</u>        | <u>255,795</u>        |

Unlisted available-for-sale equity securities of HK\$176,824,000 (at 31st March, 2017 : HK\$176,824,000) do not have a quoted market price in an active market and their fair values cannot be reliably measured. They are recognised at cost less impairment losses.



## 9. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors (net of allowance for doubtful debts) with the following ageing analysis based on due date as at the end of the reporting period :-

|                      | <b>30/9/2017</b><br><b>HK\$'000</b> | 31/3/2017<br>HK\$'000 |
|----------------------|-------------------------------------|-----------------------|
| Current              | <u>94,283</u>                       | <u>73,647</u>         |
| 1 to 30 days overdue | <u>—</u>                            | <u>140</u>            |
| Amounts overdue      | <u>—</u>                            | <u>140</u>            |
|                      | <b><u>94,283</u></b>                | <b><u>73,787</u></b>  |

Trade debtors are due within 30 to 90 days from the date of billing.

## 10. BANK LOANS

At the end of the reporting period, the bank loans were secured as follows :-

|           | <b>30/9/2017</b><br><b>HK\$'000</b> | 31/3/2017<br>HK\$'000 |
|-----------|-------------------------------------|-----------------------|
| Secured   | <b>65,465</b>                       | 13,293                |
| Unsecured | <u>—</u>                            | <u>29,863</u>         |
|           | <b><u>65,465</u></b>                | <b><u>43,156</u></b>  |

At the end of the reporting period, the banking facilities of a subsidiary company were secured by a charge over certain investment securities held for trading and debt securities, with total carrying value of HK\$105,526,000 (at 31st March, 2017 : HK\$78,971,000).

The effective borrowing interest rate at the end of the reporting period for the Group is 2.06 per cent. (at 31st March, 2017 : 2.17 per cent.) and its re-fixing date is within one year.

## 11. CREDITORS AND ACCRUALS

Included in creditors and accruals are trade creditors with the following ageing analysis based on due date as at the end of the reporting period :-

|                       | <b>30/9/2017</b>      | 31/3/2017      |
|-----------------------|-----------------------|----------------|
|                       | <b>HK\$'000</b>       | HK\$'000       |
| Current               | <b>247,859</b>        | 220,092        |
| 1 to 30 days overdue  | <b>8</b>              | 873            |
| 31 to 60 days overdue | <b>4</b>              | 173            |
| Over 60 days overdue  | <b>87</b>             | 73             |
|                       | <b><u>247,958</u></b> | <u>221,211</u> |

## 12. SHARE CAPITAL

|   | 30/9/2017                        |                              | 31/3/2017                        |                              |
|---|----------------------------------|------------------------------|----------------------------------|------------------------------|
|   | Number<br>of shares<br>Thousands | Nominal<br>value<br>HK\$'000 | Number<br>of shares<br>Thousands | Nominal<br>value<br>HK\$'000 |
| Authorised :-   |                                  |                              |                                  |                              |
| Ordinary shares of HK\$0.30 each                          | <b><u>518,000</u></b>            | <b><u>155,400</u></b>        | <u>518,000</u>                   | <u>155,400</u>               |
| Issued and fully paid :-                                  |                                  |                              |                                  |                              |
| Ordinary shares of HK\$0.30 each                          |                                  |                              |                                  |                              |
| Balance brought forward                                   | <b>380,452</b>                   | <b>114,135</b>               | 380,452                          | 114,135                      |
| New ordinary shares issued<br>under scrip dividend scheme | <b><u>12,799</u></b>             | <b><u>3,840</u></b>          | <u>—</u>                         | <u>—</u>                     |
| Balance carried forward                                   | <b><u>393,251</u></b>            | <b><u>117,975</u></b>        | <u>380,452</u>                   | <u>114,135</u>               |

During the six months ended 30th September, 2017, 12,799,586 new fully paid ordinary shares were issued and allotted at HK\$2.94 per ordinary share to the shareholders who elected to receive new ordinary shares in lieu of cash pursuant to the scrip dividend scheme in relation to the final dividend for the year ended 31st March, 2017.

### 13. MATERIAL RELATED PARTY TRANSACTIONS

The following material transactions with related parties were in the opinion of the directors carried out in the ordinary and usual course of business and on normal commercial terms :-

(a) Transactions with an associated company :-

There were no transactions with an associated company during the six months ended 30th September, 2017 and 30th September, 2016.

There were no amount due from an associated company at 30th September, 2017 and 31st March, 2017. The amount due to an associated company at 30th September, 2017 amounted to HK\$23,834,000 (at 31st March, 2017 : HK\$22,801,000), which is interest free, unsecured and has no fixed term of repayment.

(b) Transactions with companies in which a director of the Company has beneficial interests :-

|  | <b>Six months ended 30th September,</b> |                     |
|--|---|---------------------|
|  | <b>2017</b>                             | <b>2016</b>         |
|  | <b>HK\$'000</b>                         | <b>HK\$'000</b>     |
| Sales of goods   | <b>14,008</b>                           | 6,897               |
| Purchases of goods   | <b>25,073</b>                           | 42,871              |
| Income from the provision of management and supporting service | <b>3,034</b>                            | 4,555               |
| Rental income  | <b>8,296</b>                            | 9,655               |
| Advertising and promotion service expenses                     | <b>3,991</b>                            | 4,170               |
| Commission expenses  | <b>669</b>                              | 1,962               |
|  | <u><u>669</u></u>                       | <u><u>1,962</u></u> |

The amount due from these companies at 30th September, 2017 amounted to HK\$9,027,000 (at 31st March, 2017 : HK\$4,161,000) and the amount due to these companies at 30th September, 2017 amounted to HK\$18,927,000 (at 31st March, 2017 : HK\$8,251,000), which are interest free, unsecured and have repayment terms ranging from 20 days to 90 days.

## 14. CAPITAL COMMITMENTS

Capital commitments outstanding at 30th September, 2017 not provided for in the financial statements were as follows :-

|                                   | <b>30/9/2017</b><br><b>HK\$'000</b> | 31/3/2017<br>HK\$'000 |
|-----------------------------------|-------------------------------------|-----------------------|
| Contracted for                    | <b>5,042</b>                        | 1,921                 |
| Authorised but not contracted for | <b>960</b>                          | —                     |
|                                   | <b><u>6,002</u></b>                 | <u>1,921</u>          |

## 15. CONTINGENT LIABILITIES

At 30th September, 2017, the Company had the following contingent liabilities in respect of :-

- (a) Guarantees of HK\$1,076,986,000 (at 31st March, 2017 : HK\$1,068,774,000) given to banks to secure facilities granted to certain subsidiary companies. The facilities were utilised to the extent of HK\$120,281,000 (at 31st March, 2017 : HK\$146,739,000) at the end of the reporting period.
- (b) Guarantees given to licensors to guarantee the performance by certain subsidiary companies of obligations under certain agreements. The amount due under the agreements was HK\$15,525,000 (at 31st March, 2017 : HK\$13,072,000) at the end of the reporting period.

As at the end of the reporting period, the directors do not consider it probable that a claim will be made against the Company under any of the guarantees. No provision was therefore made in this respect at 30th September, 2017 and 31st March, 2017.

The Company has not recognised any deferred income in respect of the guarantees given as their fair value cannot be reliably measured and their transaction price was Nil.

## 16. FAIR VALUE MEASUREMENT

### (a) Other financial assets carried at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows :-

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

|   | Level 1<br>HK\$'000 | Level 2<br>HK\$'000 | Total<br>HK\$'000 |
|---|---------------------|---------------------|-------------------|
| At 30th September, 2017   |                     |                     |                   |
| Recurring fair value measurements   |                     |                     |                   |
| Other financial assets  |                     |                     |                   |
| Listed debt securities designated at<br>fair value through profit or loss | 28,213              | —                   | 28,213            |
| Investment in securities held for trading,<br>at fair value               | —                   | 77,313              | 77,313            |
|   | <u>28,213</u>       | <u>77,313</u>       | <u>105,526</u>    |
| At 31st March, 2017   |                     |                     |                   |
| Recurring fair value measurements   |                     |                     |                   |
| Other financial assets  |                     |                     |                   |
| Listed debt securities designated at<br>fair value through profit or loss | <u>78,971</u>       | <u>—</u>            | <u>78,971</u>     |

During the six months ended 30th September, 2017, there were no transfers among different levels of fair value hierarchy.

The fair value of the Group's Level 2 investments is based on valuation techniques taking into account the market closing prices of the underlying equity securities and / or volatilities and interest rates, which are observable market data, at the end of the reporting period.

(b) Fair value of other financial assets carried at other than fair value

The carrying amounts of the Group's other financial assets carried at cost or amortised cost were not materially different from their fair values as at 30th September, 2017 and 31st March, 2017.

## **17. COMPARATIVE FIGURES**

As a result of the adoption of Securities Investment as one of the principal business activities of the Group, certain comparative figures for segmental information in Note 2 have been adjusted to conform to current period's presentation.



## **REVIEW REPORT TO THE BOARD OF DIRECTORS OF DICKSON CONCEPTS (INTERNATIONAL) LIMITED** (incorporated in Bermuda with limited liability)

### **INTRODUCTION**

We have reviewed the interim financial report set out on pages 4 to 21 which comprises the consolidated statement of financial position of Dickson Concepts (International) Limited as of 30th September, 2017 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity and condensed consolidated cash flow statement for the six month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors are responsible for the preparation and presentation of the interim financial report in accordance with HKAS 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### **SCOPE OF REVIEW**

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of interim financial information performed by the independent auditor of the entity” issued by the HKICPA. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

### **CONCLUSION**

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30th September, 2017 is not prepared, in all material respects, in accordance with HKAS 34 “Interim financial reporting”.

**KPMG**  
*Certified Public Accountants*  
8th Floor, Prince’s Building  
10 Chater Road  
Central, Hong Kong

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FINANCIAL RESULTS**

For the six months ended 30th September, 2017, the Group's turnover was HK\$1,576.1 million, an increase of 11.7 per cent.. Comparable store sales increased by 12.4 per cent. after adjusting for discontinued and new stores. Overall margin decreased by 2.4 percentage points as a result of a change of sales mix.

Net profit attributable to equity shareholders was HK\$8.1 million, from which the Group's investments portfolio contributed a net profit of HK\$5.3 million.

### **BUSINESS REVIEW**

During this six-month period, the Group has opened 3 new stores in Taiwan. Today, the Group's retail network totals 111 stores. This comprises 25 stores in Hong Kong, 15 in China, 58 in Taiwan, 5 in Singapore, 5 in Malaysia and 3 in Macau.

Geographically, Hong Kong contributed 75.6 per cent. of sales, Taiwan 18.4 per cent., China 2.7 per cent. and the rest of Asia 3.3 per cent..

### **FULL YEAR PROSPECTS**

The Group expects the retail climate in Hong Kong, China and South East Asia to remain volatile in the foreseeable future. The performance of the Group in the Hong Kong retail market has improved slightly but remains inconsistent. The Taiwan retail market has remained weak due to continued reduction in tourist arrivals from China primarily caused by poor political relationship between Mainland China and Taiwan. In China, consumer demand continues to be affected by reduced spending on gift-giving. Given these difficult conditions, 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 new investment opportunities to diversify and broaden its earnings base.

With net cash of HK\$1,381.2 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 continue to broaden its earnings base.



## **EMPLOYMENT AND REMUNERATION POLICIES**

As at 30th September, 2017, the Group had 1,497 (2016 : 1,612) employees. Total staff costs (including directors' emoluments) amounted to HK\$211.3 million (2016 : HK\$211.3 million). Remuneration policies are reviewed regularly by the Board and by the Remuneration Committee in respect of directors and senior management. Remuneration packages are structured to take into account the level and composition of pay and the general market conditions in the respective countries and businesses in which the Group operates. Details of the share option scheme ("the Share Option Scheme") were disclosed in the Company's 2017 annual report ("the 2017 Annual Report"). No share options were granted or exercised under the Share Option Scheme during the period under review.

## **LIQUIDITY AND FINANCIAL RESOURCES**

During the six months ended 30th September, 2017, the Group's net cash from investing activities was utilised to fund working capital requirements and financing activities including payment of the final dividend for the previous financial year. Net cash surplus totalled HK\$23.2 million.

As a result, the Group's net liquid financial resources as at 30th September, 2017 stood at HK\$1,381.2 million, represented by cash and bank balances of HK\$1,446.7 million less short-term bank borrowings of HK\$65.5 million.

The Group also maintains substantial uncommitted short-term loan facilities with selected international banks for day-to-day requirements and funding flexibility. Utilisation of these facilities over and above prevailing levels during the second half of the current financial year is not anticipated given the Group's net cash position.

## **FOREIGN CURRENCY EXPOSURE AND FINANCIAL MANAGEMENT**

Merchandise purchased by the Group is mainly denominated in United States Dollars, Euros, Pounds Sterling and Swiss Francs. Where appropriate, forward foreign exchange contracts are utilised to purchase the relevant currency to settle amounts due and it is the Group's policy that such foreign exchange contracts or foreign currency purchases are strictly limited to approved purchase budget amounts or actual purchase commitments.

Exposure to fluctuations in the exchange rate of regional currencies in respect of the Group's overseas operations is minimised by utilising local currency borrowings, where necessary, to fund working capital and capital expenditure requirements with repayment from funds generated from local sales.

Financial risk management for the Group is the responsibility of the treasury department based in Hong Kong which implements the policies and guidelines issued by the Board. Surplus cash is held mainly in United States Dollars, New Taiwan Dollars, Hong Kong Dollars and Renminbi with the majority placed on short-term deposits with established international banks.

As at 30th September, 2017, the Group's current ratio, being current assets divided by current liabilities, was 3.5 times compared to 3.7 times as at 31st March, 2017. The Group has maintained a net surplus cash position throughout the period under review and its gearing ratio, being total bank borrowings net of cash balances as a percentage of consolidated capital and reserves is Nil (as at 31st March, 2017 : Nil).

## DISCLOSURE OF INTERESTS

### DIRECTORS' INTERESTS

As at 30th September, 2017, the interests and short positions of the directors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“the SFO”)) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“the Directors’ Model Code”) as set out in Appendix 10 of the Listing Rules were as follows :-

#### Dickson Concepts (International) Limited

| Name of Director | Capacity                           | Personal Interests | Ordinary shares of HK\$0.30 each |                     |                            | Total       | Percentage <sup>(ii)</sup> |
|------------------|------------------------------------|--------------------|----------------------------------|---------------------|----------------------------|-------------|----------------------------|
|                  |                                    |                    | Family Interests                 | Corporate Interests | Other Interests            |             |                            |
| Dickson Poon     | Beneficial owner and trust founder | 16,246             | —                                | —                   | 209,331,145 <sup>(i)</sup> | 209,347,391 | 53.24                      |

*Notes :-*

- (i) These shares are held through two trusts.
- (ii) Percentage which the aggregate long position in shares represents to the issued share capital of the Company.

In addition, Sir Dickson Poon is deemed to be interested in the share capital of all the subsidiary and associated companies of the Company by virtue of his interest in the Company.

Save as referred to above, as at 30th September, 2017, none of the directors had any interest or short position in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which are recorded in the register required to be kept by the Company under Section 352 of the SFO or which are notified to the Company and the Stock Exchange pursuant to the Directors’ Model Code.

As at 30th September, 2017, no share options had been granted to the directors under the Share Option Scheme.

## **SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS**

As at 30th September, 2017, the interests and short positions of the persons (other than the directors) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows :-

### **Dickson Concepts (International) Limited**

| <b>Name of shareholder</b>                                 | <b>Ordinary shares<br/>of HK\$0.30 each</b> | <b>Percentage<sup>(iii)</sup></b> | <b>Capacity</b>    |
|--|---|-----------------------------------|--------------------|
| Yu Kwai Chu, Pearl   | 209,347,391 <sup>(i)</sup>                  | 53.24                             | Interest of spouse |
| Dickson Investment Holding (PTC)<br>Corporation (“DIHPTC”) | 209,331,145 <sup>(ii)</sup>                 | 53.23                             | Trustee            |
| Paicolex Trust Company (BVI) Limited<br>(“Paicolex BVI”)   | 209,331,145 <sup>(ii)</sup>                 | 53.23                             | Trustee            |
| Paicolex Trust Management AG<br>(“Paicolex AG”)            | 209,331,145 <sup>(ii)</sup>                 | 53.23                             | Trustee            |
| Brandes Investment Partners, L.P.                          | 30,473,125 <sup>(ii)</sup>                  | 7.75                              | Investment manager |

*Notes :-*

- (i) These shares refer to the family interest attributable to Sir Dickson Poon, the spouse of Ms. Yu Kwai Chu, Pearl.
- (ii) These shares refer to the same block of shares. DIHPTC, Paicolex BVI and Paicolex AG are trustees of two trusts. These shares are also included in the 209,331,145 shares which were disclosed as “Other Interests” of Sir Dickson Poon in the “Directors’ Interests” section of this report. Sir Dickson Poon is a director of DIHPTC.
- (iii) Percentage which the aggregate long position in shares represents to the issued share capital of the Company.

Save as disclosed above and in the “Directors’ Interests” section of this report, the Company has not been notified by any person who had an interest or short position in the shares or underlying shares of the Company as at 30th September, 2017 which is required to be notified to the Company pursuant to Part XV of the SFO or which is recorded in the register required to be kept by the Company under Section 336 of the SFO.

## **OTHER INFORMATION**

### **INTERIM DIVIDEND**

In view of the results, the Board resolved not to declare an interim dividend (2016 : Nil).

### **SHARE PURCHASE, SALE AND REDEMPTION**

At no time during the period under review was there any purchase, sale or redemption by the Company, or any of its subsidiary companies, of the Company's ordinary shares.

### **SHARE OPTION SCHEME**

As at 30th September, 2017, no share options had been granted to any of the directors or employees of the Company or any of its subsidiary companies under the Share Option Scheme.

### **CORPORATE GOVERNANCE PRACTICES**

The Company is committed to maintaining high standards of corporate governance. The Company recognises that corporate governance practices are fundamental to the smooth, effective and transparent operation of a company and its ability to attract investment, protect the rights of shareholders and enhance shareholder value.

The Company has applied the principles and complied with all the code provisions of the Corporate Governance Code ("the CG Code") as set out in Appendix 14 of the Listing Rules throughout the period under review except code provision A.2.1 of the CG Code as the functions of the Chief Executive Officer are now performed by Sir Dickson Poon, the Group Executive Chairman.

Detailed information on the Company's other corporate governance practices was set out in the Corporate Governance Report included in the 2017 Annual Report.

### **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Directors' Model Code as set out in Appendix 10 of the Listing Rules as the code for securities transactions by the directors. Having made specific enquiries of all directors, all directors confirmed that they have complied with the required standard as set out in the Directors' Model Code throughout the period under review.

## **CHANGE IN DIRECTORS' INFORMATION**

There have been changes in directors' information since the date of the 2017 Annual Report that are required to be disclosed pursuant to Rules 13.51B(1) and 13.51(B)(2) of the Listing Rules are as follows :-

Mr. Chan Tsang Wing, Nelson will retire and resign as an Executive Director, the Chief Operating Officer, an Authorised Representative and a member of the Remuneration Committee of the Company all with effect from 31st December, 2017, the details of which were disclosed in the announcement of the Company dated 16th October, 2017.

Mr. Chan Hon Chung, Johnny Pollux, an Executive Director, has been appointed as a member of the Remuneration Committee of the Company in place of Mr. Chan Tsang Wing, Nelson with effect from 31st December, 2017.

Save as disclosed above, there was no other change of directors' information since the date of the 2017 Annual Report that is required to be disclosed pursuant to Rules 13.51B(1) and 13.51(B)(2) of the Listing Rules.

## **REVIEW OF GROUP INTERIM RESULTS**

The Audit Committee has reviewed the unaudited consolidated interim results of the Group for the six months ended 30th September, 2017 with the Board.

As at the date of this report, the Board comprises :-

### ***Executive Directors:***

Dickson Poon (*Group Executive Chairman*)  
Chan Tsang Wing, Nelson  
(*Chief Operating Officer*)  
Chan Hon Chung, Johnny Pollux  
Lau Yu Hee, Gary

### ***Independent Non-Executive Directors:***

Bhanusak Asvaintra  
Nicholas Peter Etches  
Leung Kai Hung, Michael

By Order of the Board  
**Or Suk Ying, Stella**  
*Company Secretary*

Hong Kong, 29th November, 2017