DICKSON

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

(Stock Code: 0113)

GROUP FINAL RESULTS
FOR THE YEAR ENDED 31ST MARCH, 2016

The board of directors ("the Board") of Dickson Concepts (International) Limited ("the Company") announces that the consolidated final results of the Company and its subsidiary companies (together "the Group") for the year ended 31st March, 2016 together with last year's corresponding comparative figures are as follows :-

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31st March, 2016

		Financial year ended 31st March,	
		2016	2015
	NOTE	**HK$'000**	HK$'000
Revenue	2	**3,621,335**	4,322,230
Cost of sales		**(1,825,453)**	(2,225,800)
Gross profit		**1,795,882**	2,096,430
Other (loss) / income	3	**(10,577)**	38,708
Selling and distribution expenses		**(1,671,835)**	(1,836,495)
Administrative expenses		**(301,858)**	(261,334)
Other operating expenses		**(87,221)**	(120,623)
Operating loss		**(275,609)**	(83,314)
Finance costs		**(1,823)**	(3,796)
Share of profits less losses of associated companies		**(5,542)**	(4,437)
Loss before taxation	4	**(282,974)**	(91,547)
Taxation	5	**(5,178)**	(18,713)
Loss for the year attributable to equity shareholders of the Company		**(288,152)**	(110,260)
Loss per share (basic and diluted)	7	**(75.0) cents**	(28.5) cents

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March, 2016

	Financial year ended 31st March, 2016 HK$'000	2015 HK$'000
Loss for the year	**(288,152)**	(110,260)
Other comprehensive income for the year :		
Items that will not be reclassified to profit or loss :		
Remeasurement of net defined benefit liability (after tax expense of HK$2,000 (2015 : tax credit of HK$18,000))	**865**	451
Items that may be reclassified subsequently to profit or loss :		
Exchange differences on translation of accounts of overseas subsidiary and associated companies (Note)	**(30,427)**	(12,559)
Available-for-sale equity securities :		
Changes in fair value recognised during the year	**(16,951)**	22,407
Reclassification adjustments for amounts transferred to profit or loss :		
— gains on disposal (Note 3)	**(5,364)**	(39,616)
— impairment losses (Note 3)	**23,123**	17,209
Net movement in the fair value reserve during the year recognised in other comprehensive income (Note)	**808**	–
Other comprehensive income for the year	**(28,754)**	(12,108)
Total comprehensive income for the year attributable to equity shareholders of the Company	**(316,906)**	(122,368)

Note :-

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31st March, 2016

	NOTE	**2016 HK$'000**	2015 HK$'000
Non-current assets			
Property, plant and equipment		**159,367**	227,634
Intangible asset	8	—	75,464
Associated companies		**24,898**	37,167
Deferred tax assets		**2,292**	3,804
Other financial assets	9	**243,723**	283,862
		430,280	627,931
Current assets			
Inventories		**652,063**	844,629
Debtors, deposits and prepayments	10	**308,732**	354,058
Tax recoverable		**4,598**	4,739
Other financial assets	9	**65,837**	—
Cash and bank balances		**1,391,120**	1,387,111
		2,422,350	2,590,537
Current liabilities			
Bank loans		**74,895**	70,099
Bills payable		**895**	17,269
Creditors and accruals	11	**689,996**	643,309
Taxation		**14,625**	22,458
		780,411	753,135
Net current assets		**1,641,939**	1,837,402
Total assets less current liabilities		**2,072,219**	2,465,333
Non-current liabilities			
Deferred tax liabilities		**30,386**	43,219
Amount due to associated companies		**24,300**	33,959
Net assets		**2,017,533**	2,388,155
Capital and reserves			
Share capital	12	**114,135**	116,965
Reserves		**1,903,398**	2,271,190
Total equity attributable to equity shareholders of the Company		**2,017,533**	2,388,155

NOTES

The Group's final results set out in this announcement do not constitute the Group's financial statements for the year ended 31st March, 2016 but are extracted from those financial statements.

1. PRINCIPAL ACCOUNTING POLICIES

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply 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").

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group :-

- **Amendments to HKAS 19, Employee benefits : Defined benefit plans : Employee contributions**
- **Annual Improvements to HKFRSs 2010-2012 Cycle**
- **Annual Improvements to HKFRSs 2011-2013 Cycle**

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.

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

2. REVENUE / SEGMENTAL INFORMATION

Revenue represents the invoiced value of goods sold less discounts and returns, and income from concession and consignment sales.

Business segment

The Group has a single reportable segment which is the sale of luxury goods. Accordingly, the segment information for this sole operating segment is equivalent to the consolidated figures.

Geographical information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the goods are delivered.

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Hong Kong (place of domicile)	**2,463,627**	2,825,663
Taiwan	**648,076**	755,842
China	**273,617**	366,757
Singapore / Malaysia	**173,550**	289,458
Other territories (Mainly Asia)	**62,465**	84,510
	1,157,708	1,496,567
Total	**3,621,335**	4,322,230

The following table sets out information about the geographical location of the Group's property, plant and equipment, intangible asset and interests in associated companies. 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, the location of the operation to which they are allocated, in the case of intangible asset, and the location of operations, in the case of interests in associated companies.

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Hong Kong (place of domicile)	**106,663**	204,069
Taiwan	**36,021**	70,471
China	**29,488**	45,224
Singapore / Malaysia	**8,289**	9,497
Other territories (Mainly Asia)	**3,804**	11,004
	77,602	136,196
Total	**184,265**	340,265

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 HKFRS 8, *Operating segments*.

3. OTHER (LOSS) / INCOME

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Available-for-sale equity securities : reclassified from equity		
– on disposal	**5,364**	39,616
– on impairment	**(23,123)**	(17,209)
Dividend income from listed securities	**2,036**	—
Interest income	**8,151**	17,320
Loss on disposal of property, plant and equipment	**(2,379)**	(2,375)
Net foreign exchange loss	**(1,739)**	(6,406)
Realised and unrealised gains from financial assets designated at fair value through profit or loss :-		
— interest income	**2,547**	10,726
— net fair value losses	**(1,434)**	(2,964)
	(10,577)	38,708

4. LOSS BEFORE TAXATION

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Loss before taxation is arrived at after charging / (crediting) :-		
Amortisation of intangible asset	**18,866**	18,866
Depreciation	**77,541**	107,385
Impairment loss on intangible asset recognised	**56,598**	—
Impairment loss on property, plant and equipment recognised (Note)	**105,353**	81,757
Interest on bank overdrafts and loans repayable within five years	**1,823**	3,796

Note :-

The management performed an impairment assessment on the carrying value of certain property, plant and equipment of the Group's retail store investments at 31st March, 2016 in accordance with the accounting policy on impairment of assets. Based on the assessment, a full impairment of HK$105,353,000 (2015 : HK$81,757,000) was recognised in respect of the respective property, plant and equipment and charged to the consolidated statement of profit or loss. The recoverable amounts of these property, plant and equipment were determined based on the estimated future cash flows generated from these retail store investments for the remaining non-cancellable lease term of the respective retail stores at a discount rate of 10.9 per cent..

5. TAXATION

	Financial year ended 31st March, 2016 HK$'000	2015 HK$'000
Current tax — Hong Kong Profits Tax		
Provision for the year	**642**	1,533
Over-provision in respect of prior years	**(434)**	(676)
	208	857
Current tax — Overseas		
Provision for the year	**16,769**	16,277
(Over) / under-provision in respect of prior years	**(368)**	439
	16,401	16,716
Deferred tax		
Origination and reversal of temporary differences	**(11,431)**	1,140
Total income tax expense	**5,178**	18,713

The provision for Hong Kong Profits Tax for 2016 is calculated at 16.5 per cent. (2015 : 16.5 per cent.) of the estimated assessable profits for the year.

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

6. DIVIDENDS

	Financial year ended 31st March, 2016 HK$'000	2015 HK$'000
No interim dividend was declared and paid (2015 : Nil)	**—**	—
Final dividend proposed after the end of the reporting period of HK11 cents (2015 : HK6 cents) per ordinary share	**41,850**	23,369

7. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the loss for the year attributable to ordinary equity shareholders of the Company of HK$288,152,000 (2015 : HK$110,260,000) and the weighted average number of 384,136,826 ordinary shares (2015 : 386,826,049 ordinary shares) in issue during the year.

Weighted average number of ordinary shares

	Financial year ended 31st March,	
	2016	2015
	Number of shares	Number of shares
	Thousands	Thousands
Issued ordinary shares at 1st April	**389,885**	381,463
Effect of scrip dividend (Note 12)	**—**	5,395
Effect of repurchases of shares (Note 12)	**(5,748)**	(32)
Weighted average number of ordinary shares at 31st March	**384,137**	386,826

8. INTANGIBLE ASSET

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Cost :-		
At 1st April and 31st March	**322,607**	322,607
Accumulated amortisation :-		
At 1st April	**247,143**	228,277
Amortisation for the year	**18,866**	18,866
Impairment loss	**56,598**	—
At 31st March	**322,607**	247,143
Net book value :-		
At 31st March	**—**	75,464

The intangible asset represents the exclusive distribution rights for "Tommy Hilfiger" apparel and other approved merchandise in Hong Kong, Taiwan, Singapore, Malaysia and Macau.

The amortisation charge for the year is included in "Administrative expenses" in the consolidated statement of profit or loss.

The management performed an impairment assessment on the carrying value of intangible asset at 31st March, 2016 in accordance with the accounting policy on impairment of assets. Based on the assessment, a full impairment of HK$56,598,000 was recognised and charged to the consolidated statement of profit or loss. The recoverable amounts of the intangible asset were determined based on the estimated future cash flows generated by the respective operating regions for the remaining useful life of the exclusive distribution rights at a discount rate of 10.9 per cent..

9. OTHER FINANCIAL ASSETS

Other financial assets comprise :-

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Non-current assets		
Listed debt securities designated at fair value through profit or loss	**—**	68,853
Listed available-for-sale equity securities	**28,100**	61,426
Unlisted available-for-sale equity securities	**215,623**	153,583
	243,723	283,862
Current assets		
Listed debt securities designated at fair value through profit or loss	**65,837**	—
	309,560	283,862

Unlisted available-for-sale equity securities of HK$215,623,000 (2015 : HK$153,583,000) 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.

10. DEBTORS, DEPOSITS AND PREPAYMENTS

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Trade debtors	**92,734**	137,707
Less: allowance for doubtful debts	**(5,209)**	(16,129)
	87,525	121,578
Other debtors, deposits and prepayments	**221,207**	232,480
	308,732	354,058

All debtors, deposits and prepayments of the Group, apart from certain rental deposits totalling HK$147,828,000 (2015 : HK$172,692,000), are expected to be recovered or recognised as an expense within one year.

(a) Ageing analysis

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 :-

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Current	**84,641**	119,851
1 to 30 days overdue	**2,760**	1,027
31 to 60 days overdue	**11**	430
Over 60 days overdue	**113**	270
Amounts overdue	**2,884**	1,727
	87,525	121,578

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

11. CREDITORS AND ACCRUALS

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Trade creditors	**204,184**	197,307
Amount due to an associated company	—	1,157
Net defined benefit liability	**402**	1,199
Other creditors and accruals	**485,410**	443,646
	689,996	643,309

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 :-

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Current	**187,716**	190,770
1 to 30 days overdue	**14,611**	4,419
31 to 60 days overdue	**863**	1,257
Over 60 days overdue	**994**	861
	204,184	197,307

The amount of the Group's creditors and accruals expected to be settled after more than one year is HK$54,648,000 (2015 : HK$46,184,000).

12. SHARE CAPITAL

	Financial year ended 31st March,			
	2016		2015	
	Number of shares Thousands	**Nominal value HK$'000**	Number of shares Thousands	Nominal value HK$'000
Authorised :-				
Ordinary shares of HK$0.30 each	**518,000**	**155,400**	518,000	155,400
Issued and fully paid :-				
Ordinary shares of HK$0.30 each				
Balance brought forward	**389,885**	**116,965**	381,463	114,439
New ordinary shares issued under scrip dividend scheme	—	—	9,467	2,840
Repurchases of shares	**(9,433)**	**(2,830)**	(1,045)	(314)
Balance carried forward	**380,452**	**114,135**	389,885	116,965

During the year ended 31st March, 2015, 9,467,039 new fully paid ordinary shares were issued and allotted at HK$4.40 per 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, 2014.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per ordinary share at general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

During the year ended 31st March, 2015, the Company repurchased a total of 1,045,000 ordinary shares on the Stock Exchange at an aggregate purchase price (excluding expenses) of HK$3,260,310 and such repurchased shares were cancelled on 8th May, 2015. Details of the ordinary shares repurchased on the Stock Exchange during the year ended 31st March, 2015 are as follows :-

Month of repurchase	**Number of ordinary shares repurchased**	**Highest purchase price per ordinary share**	**Lowest purchase price per ordinary share**	**Aggregate purchase price (excluding expenses)**
		HK$	*HK$*	*HK$*
March 2015	1,045,000	3.30	3.10	3,260,310

During the year ended 31st March, 2016, the Company repurchased a total of 9,433,328 ordinary shares on the Stock Exchange at an aggregate purchase price (excluding expenses) of HK$30,370,744. Such repurchased shares were subsequently cancelled during the year. Details of the ordinary shares repurchased on the Stock Exchange during the year are as follows :-

Month of repurchase	**Number of ordinary shares repurchased**	**Highest purchase price per ordinary share**	**Lowest purchase price per ordinary share**	**Aggregate purchase price (excluding expenses)**
		HK$	*HK$*	*HK$*
April 2015	408,500	3.35	3.30	1,362,970
May 2015	1,000,000	3.30	3.25	3,295,875
June 2015	1,929,828	3.29	3.25	6,313,210
October 2015	6,081,500	3.40	2.80	19,369,079
January 2016	13,500	2.22	2.15	29,610

As a result of the above share repurchases, the issued share capital of the Company was accordingly reduced by the par value of the aforesaid repurchased ordinary shares which were cancelled during the year. As at the date of this announcement, the number of issued shares of the Company is 380,451,745 ordinary shares.

The directors believe that the above share repurchases are in the best interests of the Company and its shareholders and that such share repurchases would lead to an enhancement of the net assets value and / or earnings per share of the Company.

13. CAPITAL COMMITMENTS

Capital commitments outstanding at 31st March, 2016 not provided for in the financial statements were as follows :-

	Financial year ended 31st March,	
	2016	2015
	HK$'000	HK$'000
Contracted for	**2,576**	10,199
Authorised but not contracted for	**10,543**	–
	13,119	10,199

14. CONTINGENT LIABILITIES

At 31st March, 2016, the Company had the following contingent liabilities in respect of :-

(a) Guarantees of HK$1,049,360,000 (2015 : HK$1,086,089,000) given to banks to secure facilities granted to certain subsidiary companies. The facilities were utilised to the extent of HK$204,090,000 (2015 : HK$173,045,000) 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$11,150,000 (2015 : HK$11,717,000) 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 31st March, 2016 and 31st March, 2015 respectively.

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.

MANAGEMENT DISCUSSION AND ANALYSIS

For the financial year ended 31st March, 2016, the Group achieved sales of HK$3,621.3 million. Comparable store sales, adjusted for discontinued and new stores, decreased by 13.6 per cent..

The Group's full year net loss from operations was HK$126.3 million. As a result of the declining retail climate, a non-cash impairment charge of HK$161.9 million was made on intangible asset and fixed assets of certain retail stores. Full year net loss attributable to equity shareholders was HK$288.2 million.

It should also be noted that the impairment charge of HK$161.9 million as a result of the poor retail climate is non-cash in nature and has no impact on the Group's cash position.

The Group has net cash of HK$1.3 billion and is in an extremely strong financial position.

FINANCIAL RESULTS AND FINAL DIVIDEND

Turnover for the year ended 31st March, 2016 was HK$3,621.3 million, a decrease of 16.2 per cent. compared to HK$4,322.2 million in the previous year.

Loss attributable to equity shareholders was HK$288.2 million compared to HK$110.3 million in the previous year.

In view of these results but with the strong net cash position of the Group, the Board is recommending the payment of a final dividend of HK11 cents per ordinary share, compared to a final dividend of HK6 cents per ordinary share in the previous year.

REVIEW OF OPERATIONS

The Group opened 11 new shops during the year. Its retail network as at 31st March, 2016 totalled 132 shops comprising 30 shops in Hong Kong, 23 in China, 4 in Macau, 65 in Taiwan and 10 in Singapore and Malaysia.

Since 2015, to tackle the poor retail climate, retailers and leading brands in all sectors have been very aggressive in sales and promotional activities with discounts much higher than in previous years. Sales were largely achieved at the expense of margin. This trend has continued into 2016 and there is no sign of improvement. To tackle this issue, the Group managed to successfully achieve an improvement in gross margin by 1.1 percentage point through a change of sales mix.

What the Hong Kong retail industry is facing is not just a slowing of the economy and a decline in mainland Chinese or high spending tourists from other countries, but it is coupled with an extremely high cost base, ranging from rental to marketing and staff costs. Additionally, leading international brands have also restructured their pricing strategies. Particularly impactful to Hong Kong is the fact that retail prices in Japan, which have traditionally been higher than Hong Kong, have been reduced to similar level as here. When coupled with any weakness of the Japanese Yen, retail prices can be 5 to 10 per cent. lower than in Hong Kong, making it even more attractive for tourists to shop in Japan.

In Taiwan, Singapore and Malaysia, the retail sentiments remain weak. Improvement is not expected in the near term.

Geographically, 68 per cent. of sales was generated in Hong Kong, 18 per cent. in Taiwan, 8 per cent. in China and 6 per cent. in the rest of South East Asia.

In terms of sales mix, fashion and accessories represented 51 per cent., watches and jewellery 24 per cent. and cosmetics and beauty products 25 per cent.

The Group has actively been looking into diversifying its income base and, as announced on 5th April 2016, investing in listed and unlisted companies has become another core activity of the Group. We have actively been examining such opportunities and will continue to expand our investments.

FUTURE PROSPECTS

The Hong Kong retail market has further deteriorated and the retail climate in China and South East Asia remains to be extremely weak. As such, the Group regards the retail sector with pessimism in the foreseeable future and will rigorously control costs and expenses at all levels of operation. The Group will also adopt a very cautious approach to its further expansion and development strategies.

With its substantial net cash position of HK$1,316.2 million, the Group is well positioned to take advantage of any suitable investment opportunities that arise and which will diversify and broaden its earnings base.

CORPORATE STRATEGY

The Group's strategy is to cater to the Asian market's demand for quality branded products through a combination of licensed brands, the Group's own brands, and own retail platforms. Our corporate values rest in growing the presence of our existing businesses and identifying new business and investment opportunities not limited to our current businesses in order to deliver value to both our customers and our shareholders. All such opportunities will continue to be diligently and carefully evaluated by the Board with the primary view of further enhancing the Group's financial and market position as well as delivering value to our shareholders. We believe implementing disciplined business strategies and prudent financial management serves this purpose by preserving the longevity and sustainability of our businesses. We also believe in maintaining a conservative balance sheet so we can take advantage of any investment opportunities of exceptional value as and when they arise.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31st March, 2016, the Group had 1,666 (2015 : 2,445) employees. Total staff costs (including directors' emoluments) amounted to HK$578.0 million (2015 : HK$644.9 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.

LIQUIDITY AND FINANCIAL RESOURCES

During the year, the Group generated net cash from operating activities of HK$150.5 million (2015 : HK$169.6 million) which included operating cash flow after changes in working capital of HK$174.6 million (2015 : HK$183.5 million) and tax payments of HK$24.1 million (2015 : HK$13.9 million).

The net cash utilisation in investing activities was HK$35.8 million (2015 : net cash surplus of HK$102.2 million) during the year which included net cash utilisation in other financial assets of HK$45.7 million (2015 : net cash surplus of HK$244.1 million) and net capital expenditure of HK$42.3 million (2015 : HK$115.4 million).

Together with other financing activities including repurchase of shares of HK$30.5 million (2015 : HK$3.3 million) and dividend payments of HK$23.2 million (2015 : HK$34.6 million), the surplus of net cash inflow over utilisation increased the Group's cash and bank deposits as at 31st March, 2016 to HK$1,391.1 million (2015 : HK$1,387.1 million). The Group's net liquid financial resources as at 31st March, 2016 were HK$1,316.2 million (2015 : HK$1,317.0 million) comprising cash and bank deposits of HK$1,391.1 million less short-term bank borrowings of HK$74.9 million.

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 and invested in debt securities issued by corporations with acceptable credit ratings.

As at 31st March, 2016, the Group's current ratio, being current assets divided by current liabilities, was 3.1 times (as at 31st March, 2015 : 3.4 times). The Group has maintained a net surplus cash position throughout the financial year 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, 2015 : Nil).

OTHER INFORMATON

DIVIDENDS

In view of the results, the Board is recommending the payment of a final dividend of 11 cents (2015 : HK6 cents) per ordinary share for the year ended 31st March, 2016. The final dividend, which will be paid on or about Friday, 5th August, 2016, will absorb a total of about HK$41,850,000 (2015 : HK$23,369,000) and will be paid to the shareholders whose names appear in the Register of Members of the Company on Friday, 29th July, 2016. As no interim dividend was declared and paid, the dividend payout is HK11 cents (2015 : HK6 cents) per ordinary share.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining shareholders' eligibility to attend and vote at the 2016 AGM, [and entitlement to the proposed final dividend,] the Register of Members of the Company will be closed as set out below :-

(i) For ascertaining shareholders' eligibility to attend and vote at the 2016 AGM :-

Latest time to lodge transfer documents for registration	4:30 p.m. on Tuesday, 19th July, 2016
Closure of Register of Members	Wednesday, 20th July, 2016 to Thursday, 21st July, 2016 (both days inclusive)
Record Date	Thursday, 21st July, 2016

(ii) For ascertaining shareholders' entitlement to the proposed final dividend :-

Latest time to lodge transfer documents for registration	4:30 p.m. on Wednesday, 27th July, 2016
Closure of Register of Members	Thursday, 28th July, 2016 to Friday, 29th July, 2016 (both days inclusive)
Record Date	Friday, 29th July, 2016

During the above closure periods, no transfer of shares will be effected. In order to be eligible to attend and vote at the 2016 AGM and to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than the abovementioned "latest time".

SHARE PURCHASE, SALE AND REDEMPTION

Details of ordinary shares repurchased by the Company on the Stock Exchange during the year ended 31st March, 2016 are set out in Note 12 on pages 12 to 13 of this announcement.

Save as disclosed in Note 12 on pages 12 to 13 of this announcement, there was no purchase, sale or redemption by the Company, or any of its subsidiary companies, of the Company's ordinary shares during the year ended 31st March, 2016 and up to the date of this announcement.

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 year ended 31st March, 2016 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 is set out in the Corporate Governance Report included in the 2016 Annual Report which will be despatched to the shareholders in due course.

REVIEW OF GROUP FINAL RESULTS

The Audit Committee has reviewed the consolidated final results of the Group for the year ended 31st March, 2016 with the Board.

The figures in respect of the preliminary announcement of the Group's consolidated final results for the year ended 31st March, 2016 have been compared by the Company's Independent Auditor, Messrs. KPMG, Certified Public Accountants, to the amounts set out in the Group's draft consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by Messrs. KPMG in this respect was limited and did not constitute an audit, review or other assurance engagement and consequently no assurance has been expressed by Messrs. KPMG on this announcement.

ANNUAL GENERAL MEETING

The 2016 AGM will be held at 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 21st July, 2016 at 11:30 a.m.. The Notice of the Annual General Meeting will be published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.dickson.com.hk/doc/announcement/EAGM230616.pdf and included in the 2016 Annual Report which will be despatched to the shareholders in due course.

As at the date of this announcement, 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, 30th May, 2016

* *For identification purposes only*