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

**(Stock Code: 0113)**

## **RENEWAL OF A CONTINUING CONNECTED TRANSACTION**

The Board announces that on 15th June, 2022, STDSA as principal and BIL as distributor entered into the Second Renewal Agreement regarding, inter alia, the renewal of the Existing Exclusive Distribution Agreement in respect of the appointment of the Group as an exclusive distributor for certain luxury products under “S.T. Dupont” and “D” trademarks in the PRC (excluding Hong Kong) upon its expiry on 7th June, 2022 for a further period of one year commencing from 8th June, 2022 and ending on 7th June, 2023.

As STDSA is an associate of each of Sir Dickson Poon, the group executive chairman and a substantial shareholder of the Company, and Mr. Pearson Poon, an executive Director and a substantial shareholder of the Company, STDSA is therefore a connected person of the Company for the purpose of the Listing Rules. Accordingly, the Second Renewal Agreement constitutes a Continuing Connected Transaction of the Company under Chapter 14A of the Listing Rules.

Given that the maximum annual cap payable by the Group under the Second Renewal Agreement is more than 0.1 per cent. but less than 5 per cent. of each of the applicable percentage ratios of the Company, the Second Renewal Agreement is subject to announcement, annual reporting and annual review requirements under Rule 14A.35, Rule 14A.49 and Rules 14A.55 to 14A.59 of the Listing Rules respectively and is exempt from the circular and Independent Shareholders’ approval requirements under the Listing Rules.

The Board announces that on 15th June, 2022, STDSA as principal and BIL as distributor entered into the Second Renewal Agreement regarding, inter alia, the renewal of the Existing Exclusive Distribution Agreement in respect of the appointment of the Group as an exclusive distributor for certain luxury products under “S.T. Dupont” and “D” trademarks in the PRC (excluding Hong Kong) upon its expiry on 7th June, 2022 for a further period of one year commencing from 8th June, 2022 and ending on 7th June, 2023 as described below :-

<b>Principal :</b>	STDSA
<b>Distributor :</b>	BIL
<b>Subject :</b>	Pursuant to the Existing Exclusive Distribution Agreement, STDSA appointed BIL as the exclusive distributor for certain luxury products including, but not limited to, lighters, smokers’ articles, writing instruments, leather goods, belts as well as men’s accessories under “S.T. Dupont” and “D” trademarks in the PRC (excluding Hong Kong).
<b>Term of the Agreement :</b>	The Second Renewal Agreement renewed the term of the Existing Exclusive Distribution Agreement upon its expiry on 7th June, 2022 for a further period of one year commencing from 8th June, 2022 and ending on 7th June, 2023.
<b>Purchase Prices and Payment Term :</b>	<p>The purchase prices of the products are at the standard wholesale prices equivalent to the retail prices less normal trade discounts (in the range of 40 per cent. to 75 per cent.) as set by STDSA, to be settled in cash with a credit period of up to 45 days.</p> <p>The purchase prices and other terms of the products are negotiated on an arm’s length basis between the parties thereto and be determined based on normal commercial terms with reference to the prevailing market prices that are fair and reasonable to ensure that the purchase prices are no less favourable to the Group than those available from the independent third parties at the relevant time.</p>

The details of the Existing Exclusive Distribution Agreement were disclosed in the announcement of the Company dated 3rd June, 2019 (the “**June 2019 Announcement**”).

The maximum annual caps paid / payable by the Group for the purchases of certain products from STDSA for distributing the same throughout the PRC (excluding Hong Kong) under the Existing Exclusive Distribution Agreement for the financial years ended / ending 31st March, 2022 and 31st March, 2023 are HK\$65,459,000 and HK\$13,637,000 (two months and seven days) respectively as previously disclosed in the June 2019 Announcement. The actual transaction amount for the financial year ended 31st March, 2022 was HK\$33,836,000 which was below the maximum annual cap of HK\$65,459,000.

The maximum annual caps payable by the Group for the purchases of certain products from STDSA for distributing the same throughout the PRC (excluding Hong Kong) under the Second Renewal Agreement for the financial years ending 31st March, 2023 and 31st March, 2024 will be HK\$44,849,000 (nine months and twenty-three days) and HK\$29,601,000 (two months and seven days) respectively which are more than 0.1 per cent. but less than 5 per cent. of each of the applicable percentage ratios of the Company. The said maximum annual caps were derived based on the market trend, the estimated annual growth of the said purchases, the Group’s plan for

further expansion of its retail network, the prevailing and the expected market conditions as well as the input of the management and general managers based on their experience and expertise.

## **REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTION**

The Continuing Connected Transaction is conducted on normal commercial terms and in the ordinary and usual course of business of the Group.

Purchases of certain products from STDSA for distributing the same throughout the PRC (excluding Hong Kong) under the Second Renewal Agreement can ensure timely and reliable supply of certain luxury goods to the Group and thereby reduce the operational risks and can enhance the daily operation of the Group.

Given the above, the entering into of the Second Renewal Agreement is a practical and commercial decision of the Group. Furthermore, the transaction under the Second Renewal Agreement is in line with the Group's principal activity of the sale of luxury goods in Asia and will ensure continuous business growth and contribute to the Group's turnover and profits.

## **LISTING RULES IMPLICATIONS**

As STDSA is an associate of each of Sir Dickson Poon, the group executive chairman and a substantial shareholder of the Company, and Mr. Pearson Poon, an executive Director and a substantial shareholder of the Company (as disclosed in the "General" section below), STDSA is therefore a connected person of the Company for the purpose of the Listing Rules. Accordingly, the Second Renewal Agreement constitutes a Continuing Connected Transaction of the Company under Chapter 14A of the Listing Rules. In view of the interests of Sir Dickson Poon and Mr. Pearson Poon in the Second Renewal Agreement, they have abstained from voting on the relevant resolutions regarding the Continuing Connected Transaction.

Given that the maximum annual cap payable by the Group under the Second Renewal Agreement is more than 0.1 per cent. but less than 5 per cent. of each of the applicable percentage ratios of the Company, the Second Renewal Agreement is subject to announcement, annual reporting and annual review requirements under Rule 14A.35, Rule 14A.49 and Rules 14A.55 to 14A.59 of the Listing Rules respectively and is exempt from the circular and Independent Shareholders' approval requirements under the Listing Rules.

The Directors (except Sir Dickson Poon and Mr. Pearson Poon who were considered to be materially interested in the transaction under the Second Renewal Agreement due to their relationships with STDSA and they did not vote on the relevant resolutions regarding the Continuing Connected Transaction), including the independent non-executive Directors, consider that (i) the entering into of the Second Renewal Agreement is in the ordinary and usual course of business of the Group, on normal commercial terms which are fair and reasonable and were negotiated at arm's length, are no less favourable to the Group than those available from independent third parties; and (ii) the Continuing Connected Transaction is in the interests of the Company and its shareholders as a whole, and that the relevant maximum annual caps are fair and reasonable.

## GENERAL

The Company is an investment holding company and the Group is principally engaged in the sale of luxury goods with a comprehensive retail network throughout Asia and in securities investments.

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise :-

<b>“associate(s)”</b>	has the meaning as ascribed under the Listing Rules
<b>“Board”</b>	the board of Directors of the Company
<b>“BIL”</b>	Bondwood Investments Limited (寶活投資有限公司), a company incorporated in Hong Kong with limited liability and indirectly wholly-owned by the Company, the principal activity of which is the sale of lighters, writing instruments, leather goods, watches and fashion products
<b>“Company”</b>	Dickson Concepts (International) Limited (迪生創建(國際)有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
<b>“connected person(s)”</b>	has the meaning as ascribed under the Listing Rules
<b>“Continuing Connected Transaction”</b>	the continuing connected transaction as described in this announcement which is subject to disclosure under the Listing Rules
<b>“Director(s)”</b>	the director(s) of the Company
<b>“Existing Exclusive Distribution Agreement”</b>	Renewal Exclusive Distribution Agreement dated 3rd June, 2019 entered into between STDSA as principal and BIL as distributor regarding the appointment of the Group as an exclusive distributor for certain luxury products under “S.T. Dupont” and “D” trademarks in the PRC (excluding Hong Kong) for a further period of three years commencing from 8th June, 2019 and ending on 7th June, 2022
<b>“Group”</b>	the Company and its subsidiary companies
<b>“Independent Shareholders”</b>	shareholders of the Company, other than Sir Dickson Poon and Mr. Pearson Poon and their respective associates
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange

<b>“Mr. Pearson Poon”</b>	Mr. Poon Dickson Pearson Guanda, an executive Director and a substantial shareholder of the Company. He is also a son of Sir Dickson Poon, the vice-chairman of the supervisory board of STDSA and a beneficiary of the Trust (as defined under “STDSA”)
<b>“percentage ratio(s)”</b>	has the meaning as ascribed under the Listing Rules
<b>“PRC”</b>	the People’s Republic of China
<b>“Second Renewal Agreement”</b>	the Renewal Exclusive Distribution Agreement dated 15th June, 2022 entered into between STDSA as principal and BIL as distributor regarding, inter alia, the renewal of the term of the Existing Exclusive Distribution Agreement upon its expiry on 7th June, 2022 for a further period of one year commencing from 8th June, 2022 and ending on 7th June, 2023
<b>“Sir Dickson Poon”</b>	Sir Dickson Poon, the group executive chairman and a substantial shareholder of the Company. He is also the father of Mr. Pearson Poon
<b>“STDSA”</b>	S.T. Dupont S.A., a company incorporated in France with limited liability, the shares of which are listed on the Euronext Paris in France and which is owned as to 87.039 per cent. of its issued share capital as at 31st March, 2022 by a trust established for the benefit of the members of Sir Dickson Poon’s family (the “Trust”), together with its subsidiary companies, which are principally engaged in the manufacture and distribution of luxury lighters, writing instruments, leather goods, accessories, ready-to-wear clothing, watches and fragrances
<b>“substantial shareholder(s)”</b>	has the meaning as ascribed under the Listing Rules
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong

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

***Executive Directors:***

Dickson Poon (*Group Executive Chairman*)  
Chan Hon Chung, Johnny Pollux  
Lau Yu Hee, Gary  
Poon Dickson Pearson Guanda

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

Bhanusak Asvaintra  
Nicholas Peter Etches  
Fung Yue Ming, Eugene Michael

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

Hong Kong, 15th June, 2022

*\* For identification purposes only*