

---

# THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

If you are in doubt as to any aspect of the Proposal or this Scheme Document or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or transferred all your Shares in **Dickson Concepts (International) Limited**, you should at once hand this Scheme Document and the accompanying forms of proxy to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Scheme Document, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Scheme Document.

This Scheme Document appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Offeror or Dickson Concepts (International) Limited. This Scheme Document is not for release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. Scheme Shareholders residing in jurisdictions other than Hong Kong should inform themselves about and observe all legal and regulatory requirements applicable to them. Overseas Shareholders are advised to read the paragraph headed "16. Overseas Shareholders" in the Explanatory Statement in Part VII of this Scheme Document for further information.

---



**BESTCITY ASSETS LIMITED**

*(incorporated in the British Virgin Islands  
with limited liability)*

**DICKSON CONCEPTS (INTERNATIONAL) LIMITED**

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

**(Stock Code: 0113)**

**(1) PROPOSAL FOR THE PRIVATISATION OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED  
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT  
UNDER SECTION 99 OF THE COMPANIES ACT  
AND**

**(2) PROPOSED WITHDRAWAL OF LISTING OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED**

**Financial Adviser to the Offeror**



**SOMERLEY CAPITAL LIMITED**

**Independent Financial Adviser to the Independent Board Committee**



**PLATINUM**  
Securities

---

Unless the context otherwise requires, capitalised terms used hereunder shall have the same meanings as defined in this Scheme Document.

A letter from the Board is set out in Part IV of this Scheme Document. A letter from the Independent Board Committee containing its advice to the Disinterested Shareholders in relation to the Proposal and the Scheme is set out in Part V of this Scheme Document. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Proposal and the Scheme is set out in Part VI of this Scheme Document. The Explanatory Memorandum is set out in Part VII of this Scheme Document.

The actions to be taken by Shareholders are set out in Part II of this Scheme Document.

Notices convening the Court Meeting and the SGM to be held at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Friday, 18 July 2025 at 11:00 a.m. and 11:30 a.m. (or, if later, as soon as practicable after the conclusion or adjournment of the Court Meeting) respectively are set out in Appendix IV and Appendix V of this Scheme Document respectively. Whether or not you are able to attend any of the Meetings or any adjournment(s) or postponement(s) thereof in person, you are strongly urged to complete and sign the enclosed **PINK** form of proxy in respect of the Court Meeting and the enclosed **WHITE** form of proxy in respect of the SGM, in accordance with the instructions printed thereon, and to deposit them at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible, but in any event no later than the respective times and dates stated under Part II – Actions to be Taken of this Scheme Document. If the **PINK** form of proxy is not so lodged, it may be handed to the chairman of the Court Meeting at the Court Meeting who shall have absolute discretion as to whether or not to accept it. If the **WHITE** form of proxy is not so lodged at least 48 hours before the time appointed for the SGM, it will not be valid. Completion and return of the forms of proxy for the Court Meeting and/or the SGM will not preclude you from attending and voting in person at the relevant meeting or any adjournment or postponement thereof, should you so wish. In the event that you attend and vote at the relevant meeting or any adjournment or postponement thereof after having lodged your forms of proxy, the returned forms of proxy will be revoked by operation of law.

This Scheme Document is jointly issued by the Company and the Offeror.

The English language text of this Scheme Document and the accompanying forms of proxy shall prevail over the Chinese language text for the purpose of interpretation.

\* For identification purposes only

25 June 2025

---

## CONTENTS

---

	<i>Page</i>
<b>PART I</b>	
<b>DEFINITIONS . . . . .</b>	<b>1</b>
<b>PART II</b>	
<b>ACTIONS TO BE TAKEN. . . . .</b>	<b>7</b>
<b>PART III</b>	
<b>EXPECTED TIMETABLE. . . . .</b>	<b>12</b>
<b>PART IV</b>	
<b>LETTER FROM THE BOARD. . . . .</b>	<b>15</b>
<b>PART V</b>	
<b>LETTER FROM THE INDEPENDENT BOARD COMMITTEE. . . . .</b>	<b>24</b>
<b>PART VI</b>	
<b>LETTER FROM THE INDEPENDENT FINANCIAL ADVISER . . . . .</b>	<b>26</b>
<b>PART VII</b>	
<b>EXPLANATORY MEMORANDUM . . . . .</b>	<b>62</b>
<b>APPENDIX I</b>	
<b>FINANCIAL INFORMATION OF THE GROUP . . . . .</b>	<b>I-1</b>
<b>APPENDIX II</b>	
<b>GENERAL INFORMATION . . . . .</b>	<b>II-1</b>
<b>APPENDIX III</b>	
<b>SCHEME OF ARRANGEMENT . . . . .</b>	<b>III-1</b>
<b>APPENDIX IV</b>	
<b>NOTICE OF COURT MEETING . . . . .</b>	<b>IV-1</b>
<b>APPENDIX V</b>	
<b>NOTICE OF SGM . . . . .</b>	<b>V-1</b>

*In this Scheme Document, the following words and expressions shall have the following meanings unless the context otherwise requires:*

“acting in concert”	has the meaning given to it under the Takeovers Code
“Announcement”	the announcement dated 29 April 2025 jointly issued by the Company and the Offeror in relation to, among other things, the Proposal
“Announcement Date”	29 April 2025, being the date of the Announcement
“Applicable Laws”	with respect to any person, any laws, rules, regulations, guidelines, directives, treaties, judgments, decrees, orders or notices of any Authority that is applicable to such person
“Approval(s)”	authorisations, registrations, licences, filings, rulings, consents, permissions
“associate(s)”	has the meaning given to it under the Takeovers Code
“Authority”	any relevant government, governmental, semi-governmental, administrative, regulatory or judicial body, department (including any relevant securities exchange), commission, authority, tribunal, agency or entity
“Beneficial Owner(s)”	any beneficial owner(s) of the Shares whose Shares are registered in the name of Registered Owner(s)
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“Cancellation Price”	the cancellation price of HK\$7.20 per Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities and Clearing Company Limited
“CCASS Participant”	a person admitted to participate in CCASS as a participant, including an Investor Participant

“close relatives”	has the meaning given to it under the Takeovers Code
“Companies Act”	the Companies Act 1981 of Bermuda, as amended from time to time
“Company”	Dickson Concepts (International) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Conditions”	the conditions to the implementation of the Proposal and the Scheme as set out in the section headed “3. Conditions of the Proposal” in Part VII – Explanatory Memorandum in this Scheme Document
“Court”	the Supreme Court of Bermuda
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Court at 11:00 a.m. on Friday, 18 July 2025 at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong, at which the Scheme (with or without modification) will be voted upon, or any adjournment or postponement thereof
“DCL”	Dickson Concepts Limited, a wholly-owned subsidiary of the Company
“DIHPTC”	Dickson Investment Holding (PTC) Corporation, a trustee of the Trusts and the sole shareholder of the Offeror, which is a company incorporated in the British Virgin Islands with limited liability, and which is wholly-owned by Sir Dickson Poon
“Director(s)”	director(s) of the Company
“Disinterested Scheme Share(s)”	Scheme Share(s) held by the Disinterested Shareholders
“Disinterested Shareholders”	Scheme Shareholders other than the Offeror and the Offeror Concert Parties
“Effective Date”	the date on which the Scheme becomes effective in accordance with its terms and conditions and the Companies Act

“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegates of the Executive Director
“Explanatory Memorandum”	the explanatory memorandum set out in Part VII of this Scheme Document
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee of the Company, comprising Mr. Bhanusak Asvaintra, Mr. Nicholas Peter Etches, Mr. Fung Yue Ming, Eugene Michael and Ms. Lam Sze Wan Patricia, each being an independent non-executive Director, formed for the purpose of making a recommendation to the Disinterested Shareholders in respect of the Proposal and the Scheme
“Independent Financial Adviser” or “Platinum Securities”	Platinum Securities Company Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee as to the Proposal and the Scheme
“Investor Participant”	a person admitted to participate in CCASS as an investor participant
“Last Trading Day”	23 April 2025, being the last trading day prior to the trading suspension of the Company on 24 April 2025 pending the issue of the Announcement
“Latest Practicable Date”	20 June 2025, being the latest practicable date for ascertaining certain information contained in the Scheme document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Long Stop Date”	31 October 2025, or such later date as the Offeror may agree and, to the extent applicable, as the Court may direct, and in all cases as permitted by the Executive
“Meeting Record Date”	18 July 2025, or such other date as may be announced to the Shareholders, being the record date for the purpose of determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlement of the Shareholders to attend and vote at the SGM
“Meetings”	the Court Meeting and the SGM
“Offer Period”	the period from the date of the Announcement until the earlier of any of (i) the Effective Date; (ii) the date on which the Scheme lapses; or (iii) the date on which an announcement is made of the withdrawal of the Scheme
“Offeror”	Bestcity Assets Limited, a company incorporated in the British Virgin Islands with limited liability, which is a wholly-owned subsidiary of DIHPTC
“Offeror Concert Parties”	parties acting in concert with the Offeror in relation to the Company
“Paicolex AG”	Paicolex Trust Management AG, a company incorporated in Switzerland, which is owned by an independent third party of the Company and the Offeror and a trustee of the Trusts
“Paicolex BVI”	Paicolex Trust Company (BVI) Limited, a company incorporated in the British Virgin Islands, which is owned by an independent third party of the Company and the Offeror and a trustee of the Trusts
“Pearson Poon”	Mr. Poon Dickson Pearson Guanda, an executive Director of the Company and the son of Sir Dickson Poon
“PRC”	the People’s Republic of China which, for the purpose of this Scheme Document only, shall exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan

“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme, and the withdrawal of the listing of the Shares from the Stock Exchange, on the terms and subject to the conditions set out in the Announcement and in this Scheme Document
“Registered Owner(s)”	any owner(s) of Shares (including, without limitation, a nominee, trustee, depositary or any other authorised custodian or third party) whose name is entered in the register of members of the Company
“Relevant Period”	the period commencing on 29 October 2024, being that date that falls six month prior to the date of the Announcement and ending on the Latest Practicable Date
“Scheme”	a scheme of arrangement under Section 99 of the Companies Act involving, among other things, the cancellation of all the Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Court
“Scheme Document”	this composite scheme document of the Company and the Offeror issued to all Shareholders containing, inter alia, further details of the Proposal
“Scheme Record Date”	1 August 2025 or such other date as may be announced to the Scheme Shareholders, being the record date for determining entitlements of the holders of Scheme Shares under the Scheme
“Scheme Share(s)”	all of the Share(s) in issue and any further Share(s) as may be issued prior to the Scheme Record Date, other than those held by the Offeror, Sir Dickson Poon, DIHPTC, Paicolex BVI and Paicolex AG
“Scheme Shareholder(s)”	the registered holder(s) of the Scheme Share(s)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“SGM”	the special general meeting of the Company to be convened and held at 11:30 a.m. on Friday, 18 July 2025 (or, if later, as soon as practicable after the Court Meeting has been concluded or adjourned) at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong to consider and vote on, among other things, the necessary resolutions for the implementation of the Proposal, including any reduction of the issued share capital of the Company as a result of the cancellation of the Scheme Shares and the implementation of the Scheme, or any adjournment or postponement thereof
“Share(s)”	ordinary share(s) of par value HK\$0.30 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Share(s)
“Somerley Capital”	Somerley Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and the financial adviser to the Offeror in connection with the Proposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers published by the SFC, as amended, supplemented or otherwise modified from time to time
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“Trusts”	the two family trusts, of which DIHPTC, Paicolex BVI and Paicolex AG are the trustees, Sir Dickson Poon being the founder of the trusts and Pearson Poon being among the eligible beneficiaries of such trusts
“U.S.” or “United States”	the United States of America
“%”	per cent.

All references in this Scheme Document to times and dates are references to Hong Kong times and dates, except as otherwise specified.



**ACTIONS TO BE TAKEN BY SHAREHOLDERS**

For the purpose of determining the entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the Shareholders to attend and vote at the SGM, the register of members of the Company will be closed from Tuesday, 15 July 2025 to Friday, 18 July 2025 (both days inclusive) and during such period, no transfer of Shares will be effected. In order to qualify to vote at the Court Meeting and the SGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Monday, 14 July 2025. A subsequent purchaser of Shares will need to obtain a proxy form from the transferor if he or she wishes to attend or vote at the Court Meeting or the SGM.

A **PINK** form of proxy for use at the Court Meeting and a **WHITE** form of proxy for use at the SGM are enclosed with this Scheme Document. Subsequent purchasers of Shares to be voted at the Court Meeting or the SGM will need to obtain a form of proxy from the transferor.

Whether or not you are able to attend any of the Court Meeting and/or the SGM or any adjournment(s) or postponement(s) thereof in person, if you are a Scheme Shareholder, you are strongly urged to complete and sign the enclosed **PINK** form of proxy in respect of the Court Meeting, and if you are a Shareholder, you are strongly urged to complete and sign the enclosed **WHITE** form of proxy in respect of the SGM in accordance with the instructions printed thereon, and to deposit them at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, but in any event no later than the following times and dates in order to be valid:

- the **PINK** form of proxy for use at the Court Meeting must be lodged no later than 11:00 a.m. on Wednesday, 16 July 2025 but if it is not so lodged, it may be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it); and
- the **WHITE** form of proxy for use at the SGM must be lodged no later than 11:30 a.m. on Wednesday, 16 July 2025, failing which it will not be valid.

The completion and return of a form of proxy for the Court Meeting and/or the SGM will not preclude you from attending and voting in person at the relevant meeting. In such event, the returned form of proxy will be revoked by operation of law.

Voting at the Court Meeting and the SGM will be taken by poll as required under the Listing Rules and the Takeovers Code.

If you do not appoint a proxy and you do not attend and vote at the Court Meeting and/or the SGM, you will still be bound by the outcome of the Court Meeting and the SGM, if, among other things, the resolutions are passed by the requisite majorities of the Scheme Shareholders, Disinterested Shareholders or the Shareholders (as the case may be). You are therefore strongly urged to attend and vote at the Court Meeting and/or the SGM in person or by proxy.

The Company and the Offeror will make an announcement in relation to the results of the Court Meeting and the SGM on Friday, 18 July 2025 by no later than 7:00 p.m.. If all of the resolutions are passed at those Meetings, further announcement(s) will be made in relation to, among other things, the outcome of the Court Hearing and, if the Scheme is sanctioned, the Scheme Record Date, the Effective Date and the date of withdrawal of the listing of the Shares on the Stock Exchange, in accordance with the requirements of the Takeovers Code and the Listing Rules.

### **ACTIONS TO BE TAKEN BY BENEFICIAL OWNERS WHOSE SHARES ARE HELD THROUGH TRUST**

The Company will not recognise any person as holding any Shares through any trust.

If you are a Beneficial Owner whose Share(s) are held upon trust by, and registered in the name of a Registered Owner (other than HKSCC Nominees Limited), you should contact the Registered Owner and give instructions to and/or to make arrangements with the Registered Owner as to the manner in which the Share(s) beneficially owned by you should be voted at the Court Meeting and/or the SGM.

If you are a Beneficial Owner who wishes to attend and vote at the Court Meeting and/or the SGM personally, you should:

- (a) contact the Registered Owner directly to make the appropriate arrangements with the Registered Owner to enable you to attend and vote at the Court Meeting and/or the SGM and, for such purpose, the Registered Owner may appoint you as its proxy; or
- (b) arrange for some or all of the Shares registered in the name of the Registered Owner to be transferred into your own name.

Instructions to and/or arrangements with the Registered Owner should be given or made in advance of the relevant latest time for the lodgement of forms of proxy in respect of the Court Meeting and the SGM or, as applicable, the latest time for lodging transfers of Shares, in order to provide the Registered Owner with sufficient time to complete his/her forms of proxy or transfer documents accurately and to submit them by the relevant deadlines. To the extent that any Registered Owner requires instructions from or arrangements to be made with any Beneficial Owner at a particular date or time in advance of the relevant latest time for the lodgement of forms of proxy in respect of the Court Meeting and/or the SGM, any such Beneficial Owner should comply with the requirements of such Registered Owner.

The appointment of a proxy by the Registered Owner at the relevant Court Meeting and/or the SGM shall be in accordance with all relevant provisions in the memorandum of association and amended and restated bye-laws of the Company.

In the case of the appointment of a proxy by the Registered Owner, the relevant forms of proxy shall be completed and signed by the Registered Owner and shall be lodged in the manner and before the latest time for lodging the relevant forms of proxy as more particularly set out in this Scheme Document.

### **ACTIONS TO BE TAKEN BY BENEFICIAL OWNERS WHOSE SHARES ARE DEPOSITED IN CCASS**

If you are a Beneficial Owner whose Share(s) are deposited in CCASS and registered under the name of HKSCC Nominees Limited, you must, unless you are an Investor Participant:

- (a) contact your broker, custodian, nominee or other relevant person who is, or has in turn deposited such Shares with, a CCASS Participant, regarding voting instructions to be given to such Other CCASS Participants if you wish to vote at the Court Meeting and/or at the SGM. You should contact your broker, custodian, nominee or other relevant person in advance of the latest time for the lodgement of forms of proxy in respect of the Court Meeting and the SGM, in order to provide such person with sufficient time to provide HKSCC Nominees Limited with instructions or make arrangements with HKSCC Nominees Limited in relation to the manner in which the Share(s) beneficially owned by you should be voted at the Court Meeting and/or the SGM; or
- (b) become a Shareholder as at the Meeting Record Date and thereby have the right to attend and vote at the Court Meeting and/or the SGM (as appropriate) by withdrawing any or all of your Share(s) from CCASS and becoming a Registered Owner of such Share(s). For withdrawal of Shares from CCASS and registration thereof, you will be required to pay to CCASS a withdrawal fee per board lot withdrawn, a registration fee for each share certificate issued, stamp duty on each transfer instrument and, if your Share(s) are held through a financial intermediary, any other relevant fees charged by your financial intermediary. You should contact your broker, custodian, nominee or other relevant person in advance of the latest time for lodging transfers of the Share(s) into your name so as to qualify to attend and vote at the Court Meeting and/or the SGM, in order to provide such broker, custodian, nominee or other relevant person with sufficient time to withdraw the Share(s) from CCASS and register them in your name.

The procedures for voting in respect of the Scheme by the Investor Participants and the Other CCASS Participants with respect to Shares registered under the name of HKSCC Nominees Limited shall be in accordance with the “Operating Guide for Investor Participants”, the “General Rules of CCASS” and the “CCASS Operational Procedures” in effect from time to time.

### **EXERCISE YOUR RIGHT TO VOTE**

If you are a Shareholder or a Beneficial Owner, you are strongly encouraged to exercise your right to vote or give instructions to the relevant Registered Owner to vote in person or by proxy at the Court Meeting and/or the SGM.

If you are a Registered Owner holding Share(s) on behalf of one or more Beneficial Owners, you should inform the relevant Beneficial Owner(s) about the importance of exercising their right to vote.

If you keep any Share(s) in a share lending programme, you are encouraged to recall any outstanding Shares on loan to avoid market participants using borrowed stock to vote.

If you are a Beneficial Owner whose Share(s) are deposited in CCASS, you are strongly encouraged to provide your broker, custodian, nominee or other relevant person without delay with instructions or make arrangements with HKSCC Nominees Limited in relation to the manner in which those Share(s) should be voted at the Court Meeting and/or at the SGM, and/or withdraw some or all of your Share(s) from CCASS and become a Registered Owner of such Shares and exercise your right to vote (in person or by proxy) at the Court Meeting and/or the SGM.

Only Scheme Shareholders whose Scheme Shares are registered in their own names in the register of members of the Company as at the Meeting Record Date may attend and vote, in person or by proxy, at the Court Meeting and be counted as members of the Company for the purpose of calculating whether or not a majority in number of members of the Company have approved the Scheme at the Court Meeting under section 99 of the Companies Act. In accordance with the directions from the Court, HKSCC Nominees Limited will be counted as one Scheme Shareholder and may vote for or against the Scheme according to the majority of voting instructions as represented by the Scheme Shares it receives. The number of votes cast in favour of the Scheme and the number of CCASS Participants on whose instructions they are cast and the number of votes cast against the Scheme and the number of CCASS Participants on whose instructions they are cast will be disclosed to the Court and may be taken into account by the Court in determining whether or not the Court should exercise its discretion to sanction the Scheme. Beneficial Owners who wish to individually vote or be counted for purposes of calculating whether or not a majority in number of members of the Company have approved the Scheme at the Court Meeting under section 99 of the Companies Act should make arrangements to become a Registered Owner of some or all of their Shares prior to the Meeting Record Date.

If you are a Registered Owner holding Shares on behalf of Beneficial Owners, you should inform the relevant Beneficial Owner(s) about the importance of exercising their right to vote and that Beneficial Owners should consider transferring some or all their Shares into their names if they wish to be counted individually for the purposes of the headcount test.

If you are in any doubt as to the action to be taken, you are encouraged to consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant, or other professional adviser.

#### **PETITION HEARING IN THE COURT**

**SCHEME SHAREHOLDERS (INCLUDING ANY BENEFICIAL OWNERS OF SCHEME SHARES WHO GAVE VOTING INSTRUCTIONS TO A CUSTODIAN OR CLEARING HOUSE WHICH SUBSEQUENTLY VOTED AT THE COURT MEETING) ARE ENTITLED BUT NOT OBLIGED TO ATTEND AND BE HEARD AT THE HEARING OF THE PETITION IN THE COURT TO SANCTION THE SCHEME WHICH IS EXPECTED TO BE ON WEDNESDAY, 30 JULY 2025 (BERMUDA TIME).**

#### **NOTICE TO OVERSEAS SHAREHOLDERS**

The making and implementation of the Proposal to the Scheme Shareholders who are not residents in Hong Kong may be affected by the applicable laws of the relevant jurisdictions. Any Scheme Shareholders who are not residents in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions. It is the responsibility of any overseas Scheme Shareholders wishing to take any actions in relation to the Proposal to satisfy themselves as to the full observance of the laws of the relevant jurisdictions in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with the necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. The Offeror and the Company expressly decline any liability for breach of any of these restrictions by any persons.

Any acceptance of the Proposal by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror, the Company and their respective advisers, including Somerley Capital and Platinum Securities, that those laws and regulatory requirements have been complied with.

Scheme Shareholders residing in jurisdictions other than Hong Kong should consult their own professional advisers if they are in any doubt as to the potential applicability of, or consequence under, any provision of law or regulation or judicial or regulatory decisions or interpretations in any jurisdictions, territory or locality therein or thereof and, in particular, whether there will be any restriction or prohibition on the acquisition, retention, disposal or otherwise with respect to the Shares, as the case may be.

Overseas Shareholders are advised to read the paragraph headed “Overseas Shareholders” in the Explanatory Statement in Part VII of this Scheme Document for further information.

The expected timetable is indicative only and is subject to change. Further announcement(s) will be made if there is any change to the following expected timetable. Unless otherwise specified, all times and dates refer to Hong Kong local dates and times.

**Hong Kong time**  
**(unless otherwise specified)**

Despatch of this Scheme Document .....Wednesday, 25 June 2025

Latest time for lodging transfers of Shares  
in order to become entitled to attend and  
vote at the Court Meeting and the SGM .....4:30 p.m. on  
Monday, 14 July 2025

Register of members of the Company closed  
for determining entitlements of the Scheme  
Shareholders to attend and vote at the Court  
Meeting and entitlements of the Shareholders  
to attend and vote at the SGM (*Note 2*) .....Tuesday, 15 July 2025 to  
Friday, 18 July 2025  
(both days inclusive)

Latest time for lodging **PINK** forms of proxy in  
respect of Court Meeting (*Note 3*) .....11:00 a.m. on  
Wednesday, 16 July 2025  
(or be handed directly to the chairman of  
the Court Meeting at the Court Meeting)

Latest time for lodging **WHITE** forms of proxy  
in respect of SGM (*Note 3*) .....11:30 a.m. on  
Wednesday, 16 July 2025

Meeting Record Date .....Friday, 18 July 2025

Court Meeting (*Note 4*) .....11:00 a.m. on  
Friday, 18 July 2025

SGM (*Note 4*) .....11:30 a.m. on  
Friday, 18 July 2025  
(or, if later, as soon as practicable  
after the conclusion or adjournment  
of the Court Meeting)

Announcement of the results of the Meetings .....no later than 7:00 p.m. on  
Friday, 18 July 2025

Expected latest time of trading in the Shares  
on the Stock Exchange .....4:10 p.m. on  
Monday, 21 July 2025

Latest time for lodging transfers of Shares in  
order to qualify for entitlements under the Scheme .....4:30 p.m. on  
Tuesday, 29 July 2025

Register of members of the Company closed for  
determining entitlements of the Scheme  
Shareholders under the Scheme (*Note 5*) .....From Wednesday, 30 July 2025  
onwards

Court Hearing .....Wednesday, 30 July 2025  
(Bermuda time)

Announcement of the results of the Court  
Hearing, the expected Effective Date, and  
the expected date of withdrawal of the  
listing of the Shares on the Stock Exchange .....no later than 8:30 a.m. on  
Thursday, 31 July 2025

Scheme Record Date .....Friday, 1 August 2025

Effective Date (*Note 6*) .....Friday, 1 August 2025  
(Bermuda time)

Announcement of the Effective Date and the  
withdrawal of the listing of the Shares on  
the Stock Exchange .....no later than 8:30 a.m. on  
Monday, 4 August 2025

Withdrawal of the listing of the Shares on the  
Stock Exchange becomes effective (*Note 7*) .....4:00 p.m. on  
Monday, 11 August 2025

Latest time for posting of remittances for the  
amounts due under the Scheme (*Note 8*) .....on or before  
Tuesday, 12 August 2025

*Notes:*

1. These denote the latest dates, which are based on the time estimated by the Company to complete the required processes to issue the underlying Shares before the Meeting Record Date or the Scheme Record Date (as the case may be).
2. The register of members of the Company will be closed during such period for the purpose of determining the entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the Shareholders to attend and vote at the SGM. This book closure period is not for determining the entitlements under the Scheme.
3. Forms of proxy should be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible, but in any event no later than the respective times and dates stated above. In the case of the **PINK** form of proxy in respect of the Court Meeting, it may also be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it). The **WHITE** form of proxy must be lodged not less than 48 hours before the time appointed for the SGM in order to be valid. The completion and return of a form of proxy for the Court Meeting or the SGM will not preclude a Shareholder from attending and voting at the relevant Meeting or any adjournment or postponement thereof in person. In such event, the relevant form of proxy will be revoked by operation of law.
4. The Court Meeting and the SGM will be held at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at the times and dates specified above. Please refer to the notice of Court Meeting set out in Appendix IV of this Scheme Document and the notice of SGM set out in Appendix V of this Scheme Document for details.
5. The register of members of the Company will be closed as from such time and on such date for the purpose of determining the entitlements under the Scheme.
6. The Scheme will become effective upon the fulfilment or waiver (as applicable) of all of the Conditions to the Proposal as set out in the section headed "3. Conditions of the Proposal" in Part VII – Explanatory Memorandum of this Scheme Document.
7. If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn at 4:00 p.m. on Monday, 11 August 2025.
8. Cheques for cash entitlements to the Scheme Shareholders under the Scheme will be despatched by post at the risk of the recipients to their registered addresses shown in the register of members of the Company no later than seven Business Days after the Effective Date.
9. If any severe weather condition is in force in Hong Kong at any time after 8:00 a.m. (Hong Kong time) on the date of the Court Meeting and the SGM, the Court Meeting and the SGM will be adjourned or postponed in accordance with the memorandum of association and amended and restated bye-laws of the Company. The Company will post an announcement on the respective websites of the Stock Exchange and the Company to notify the Shareholders of the date, time and venue of the rescheduled meetings.
10. If any severe weather condition is in force in Hong Kong: (a) at any time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date to despatch cheques for the payment of the Cancellation Price under the Scheme, the latest date to despatch cheques will remain on the same Business Day; or (b) at any time at or after 12:00 noon on the latest date to despatch cheques for the payment of the Cancellation Price under the Scheme, the latest date to despatch cheques will be rescheduled to the following Business Day which does not have any of those warnings in force at 12:00 noon and/or thereafter (or another Business Day thereafter that does not have any severe weather condition at 12:00 noon or thereafter).

For the purpose of this Scheme Document, "severe weather" refers to the scenario where a tropical cyclone warning signal number 8 or above is hoisted, or "extreme conditions" or a black rainstorm warning is/are in force in Hong Kong. Further announcement(s) will be made if there is any change to the expected timetable as a result of any severe weather.





DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司\*

(incorporated in Bermuda with limited liability)

(Stock Code: 0113)

*Executive Directors:*

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

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Independent Non-executive Directors:*

Bhanusak Asvaintra  
Nicholas Peter Etches  
Fung Yue Ming, Eugene Michael  
Lam Sze Wan Patricia

*Head Office and Principal*

*Place of Business:*

4th Floor, East Ocean Centre  
98 Granville Road  
Tsimshatsui East  
Kowloon, Hong Kong

25 June 2025

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED  
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT  
UNDER SECTION 99 OF THE COMPANIES ACT  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED**

**INTRODUCTION**

On 23 April 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of a scheme of arrangement under Section 99 of the Companies Act involving the cancellation of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share, and the withdrawal of the listing of the Shares on the Stock Exchange.

If the Scheme is approved and becomes effective and is implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will, on the Effective Date, be cancelled in exchange for the payment of the Cancellation Price of HK\$7.20 per Scheme Share to each Scheme Shareholder by the Offeror;
- (b) contemporaneously with such cancellation of the Scheme Shares, the share capital of the Company will be maintained at the amount immediately prior to the cancellation of the Scheme Shares by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of new Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Company's books of account as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror; and
- (c) subject to the obtaining of the approval from the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange pursuant to Rule 6.15(2) of the Listing Rules, the listing of the Shares will be withdrawn subject to and after the Scheme becomes effective.

The purpose of this Scheme Document is to provide you with further information regarding the Proposal and in particular the Scheme, and to give you notices of the Court Meeting and the SGM, together with the forms of proxy. Your attention is also drawn to (i) the letter from the Independent Board Committee set out in Part V of this Scheme Document; (ii) the letter from the Independent Financial Adviser set out in Part VI of this Scheme Document; (iii) the Explanatory Memorandum set out in Part VII of this Scheme Document; and (iv) the terms of the Scheme set out in Appendix III of this Scheme Document.

## **TERMS OF THE PROPOSAL**

### **The Scheme**

Subject to the satisfaction or waiver (where applicable) of the Conditions and the Scheme becoming effective, all Scheme Shares will be cancelled and the Scheme Shareholders will be entitled to receive from the Offeror:

For every Scheme Share cancelled . . . . . HK\$7.20 in cash

Your attention is drawn to the section headed "2. Terms of the Proposal – The Scheme" in Part VII – Explanatory Memorandum of this Scheme Document.

As at the Latest Practicable Date, the Company has no declared but unpaid dividends and/or distribution and/or other return capital and the Company does not intend to announce, declare and/or pay any dividend, distribution or other return of capital before the Effective Date or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be). If, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in the Announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

**The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.**

Settlement of the Cancellation Price to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Scheme Shareholder.

### **Comparison of Value**

Your attention is drawn to the section headed “2. Terms of the Proposal – Comparison of Value” in Part VII – Explanatory Memorandum of this Scheme Document.

### **Highest and Lowest Prices**

Your attention is drawn to the section headed “2. Terms of the Proposal – Highest and Lowest Prices” in Part VII – Explanatory Memorandum of this Scheme Document.

### **CONDITIONS OF THE PROPOSAL**

The Proposal is conditional upon the fulfilment or waiver (as applicable) of the Conditions set out in the section headed “3. Conditions of the Proposal” in Part VII – Explanatory Memorandum of this Scheme Document.

When all of the Conditions are fulfilled or waived (as applicable), the Scheme will become effective and binding on the Offeror, the Company and all Scheme Shareholders regardless of how (or whether) they voted at the Court Meeting or SGM.

**WARNINGS:** Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being satisfied or waived (where applicable). Accordingly, the Proposal may or may not be implemented and the Scheme may or may not be effective. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

## **FINANCIAL RESOURCES**

The Offeror has appointed Somerley Capital as its financial adviser in connection with the Proposal.

Your attention is drawn to the section headed “2. Terms of the Proposal – Financial Resources” in Part VII – Explanatory Memorandum of this Scheme Document.

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

Your attention is drawn to the section headed “4. Shareholding Structure of the Company” in Part VII – Explanatory Memorandum of this Scheme Document.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Pursuant to Rule 2.8 of the Takeovers Code, the Board has established the Independent Board Committee, comprising Mr. Bhanusak Asvaintra, Mr. Nicholas Peter Etches, Mr. Fung Yue Ming, Eugene Michael and Ms. Lam Sze Wan Patricia, each being an independent non-executive Director, to make a recommendation, after taking into account the advice and recommendation from the Independent Financial Adviser, to the Disinterested Shareholders as to (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) whether to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the SGM.

The Board, with the approval of the Independent Board Committee, has appointed Platinum Securities as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal and the Scheme pursuant to Rule 2.1 of the Takeovers Code.

The Independent Financial Adviser has advised the Independent Board Committee that it considers that the Proposal and the Scheme are fair and reasonable so far as the Disinterested Shareholders are concerned, and accordingly, it advises the Independent Board Committee to recommend to the Disinterested Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the SGM to approve and implement the Proposal.

The full text of the letter from the Independent Financial Adviser is set out in Part VI of this Scheme Document.

The Independent Board Committee, having been so advised, considers that the Proposal and the Scheme are fair and reasonable so far as the Disinterested Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Disinterested Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the SGM to approve and implement the Proposal and the Scheme.

The full text of the letter from the Independent Board Committee in relation to its recommendations with respect to the Proposal and the Scheme is set out in Part V of this Scheme Document.

#### **REASONS FOR AND BENEFITS OF THE PROPOSAL**

Your attention is drawn to the section headed “6. Reasons for and Benefits of the Proposal” in Part VII – Explanatory Memorandum of this Scheme Document.

#### **THE OFFEROR’S INTENTIONS IN RELATION TO THE GROUP**

Your attention is drawn to the section headed “7. The Offeror’s intentions in relation to the Group” in Part VII – Explanatory Memorandum of this Scheme Document.

The Board is pleased to note the intention of the Offeror in relation to the Group as set out in the section headed “7. The Offeror’s intentions in relation to the Group” in Part VII – Explanatory Memorandum of this Scheme Document.

#### **INFORMATION ON THE COMPANY**

Your attention is drawn to the section headed “8. Information on the Company” in Part VII – Explanatory Memorandum of this Scheme Document.

#### **INFORMATION ON THE OFFEROR**

Your attention is drawn to the section headed “9. Information on the Offeror” in Part VII – Explanatory Memorandum of this Scheme Document.

#### **ACTIONS TO BE TAKEN**

Your attention is drawn to the section headed “Actions to be taken” set out in Part II of this Scheme Document.

#### **THE COURT MEETING AND THE SGM**

In accordance with the directions of the Court, the Court Meeting will be held at 11:00 a.m. on Friday, 18 July 2025 at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong. The SGM will be held at 11:30 a.m. on Friday, 18 July 2025 at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong (or, if later, as soon as practicable after the Court Meeting shall have concluded or been adjourned).

For the purpose of exercising your right to vote at the Court Meeting and/or the SGM, you are requested to read carefully the section headed “12. Court Meeting and SGM” in Part VII – Explanatory Memorandum of this Scheme Document, Part II – Actions to be Taken of this Scheme Document, the notice of Court Meeting in Appendix IV of this Scheme Document and the notice of SGM in Appendix V of this Scheme Document.

#### **WITHDRAWAL OF LISTING OF SHARES**

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules, with effect immediately from 4:00 p.m. on Monday, 11 August 2025 subject to the Scheme becoming effective.

The Scheme Shareholders will be notified by way of an announcement of the exact date of the last day for dealing in the Shares and on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective.

#### **IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

If the Scheme is not approved or the Proposal otherwise lapses, an announcement will be made by the Offeror and the Company, and:

- (a) no Scheme Shares will be cancelled, the shareholding structure of the Company will not change as a result of the Proposal, and the Company will continue to have sufficient public float as required by the Listing Rules;
- (b) the listing of the Shares on the Stock Exchange will not be withdrawn; and
- (c) there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with the Offeror in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, (i) announce an offer or possible offer for the Company, or (ii) acquire any voting rights of the Company if the Offeror or persons acting in concert with it would thereby become obliged under Rule 26 of the Takeovers Code to make an offer, in each case except with the consent of the Executive.

**REGISTRATION AND PAYMENT**

Your attention is drawn to the section headed “15. Registration and Payment” in Part VII – Explanatory Memorandum of this Scheme Document.

**OVERSEAS SHAREHOLDERS**

Your attention is drawn to the section headed “16. Overseas Shareholders” in Part VII – Explanatory Memorandum of this Scheme Document.

**TAXATION ADVICE**

Your attention is drawn to the section headed “17. Taxation Advice” in Part VII – Explanatory Memorandum of this Scheme Document.

**COSTS OF THE SCHEME**

Your attention is drawn to the section headed “18. Costs of the Scheme” in Part VII – Explanatory Memorandum of this Scheme Document.

**GENERAL**

Shares held by DIHPTC, Paicolex BVI and Paicolex AG, as trustees of the Trusts, and Sir Dickson Poon will not form part of the Scheme Shares and will not be cancelled under the Proposal. Shares held by Pearson Poon, other close relatives of Sir Dickson Poon and DCL will form part of the Scheme Shares but they will not vote on the Scheme at the Court Meeting. Each of the Offeror and relevant Offeror Concert Parties who/which is a Scheme Shareholder will provide an undertaking to the Court to be bound by the terms of the Scheme and to abstain from voting in the Court Meeting.

Save for the relevant Offeror Concert Parties who/which are Scheme Shareholders and have undertaken to the Court to abstain from voting in the Court Meeting, all Scheme Shareholders as at the Meeting Record Date will be entitled to attend and vote at the Court Meeting to approve the Scheme, provided that only the votes of the Disinterested Shareholders will be taken into account in determining whether the requirements under Condition (b) under the section headed “3. Conditions of the Proposal” in the Explanatory Memorandum and Rule 2.10 of the Takeovers Code are satisfied.

As at the Latest Practicable Date, the Offeror does not hold any Shares and the Offeror Concert Parties hold in aggregate 253,927,257 Shares (representing approximately 65.77% of the issued share capital of the Company). As the Offeror and the Offeror Concert Parties are not Disinterested Shareholders, each of the Offeror and the Offeror Concert Parties will not vote on the Scheme at the Court Meeting.

All Shareholders as at the Meeting Record Date will be entitled to attend the SGM and vote on the special resolution to approve any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares and to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares (credited as fully paid) as is equal to the number of Scheme Shares cancelled and applying the reserve created as a result of the cancellation of the Scheme Shares to pay up in full at par such number of new Shares.

### **RECOMMENDATIONS**

Your attention is drawn to the recommendations of the Independent Board Committee in respect of the Proposal and the Scheme as set out in the letter from the Independent Board Committee to the Disinterested Shareholders in Part V of this Scheme Document.

Your attention is also drawn to the recommendations of the Independent Financial Adviser in respect of the Proposal and the Scheme as set out in Part VI of this Scheme Document. We would advise you to read this letter carefully before you take any action in respect of the Proposal.

### **FURTHER INFORMATION**

You are urged to read carefully:

- (a) the letter from the Independent Board Committee to the Disinterested Shareholders set out in Part V of this Scheme Document;
- (b) the letter from the Independent Financial Adviser set out in Part VI of this Scheme Document;
- (c) the Explanatory Memorandum set out in Part VII of this Scheme Document;
- (d) the appendices of this Scheme Document, including the Scheme set out in Appendix III of this Scheme Document;
- (e) the notice of Court Meeting set out in Appendix IV of this Scheme Document;
- (f) the notice of SGM set out in Appendix V of this Scheme Document;
- (g) the **PINK** form of proxy in respect of the Court Meeting as enclosed with this Scheme Document; and



- (h) the **WHITE** form of proxy in respect of the SGM as enclosed with this Scheme Document.

By Order of the Board  
**Dickson Concepts (International) Limited**  
**Or Suk Ying, Stella**  
*Company Secretary*

\* *For identification purposes only*



DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司\*

(incorporated in Bermuda with limited liability)

**(Stock Code: 0113)**

25 June 2025

*To the Disinterested Shareholders*

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED  
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT  
UNDER SECTION 99 OF THE COMPANIES ACT  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED**

We refer to the Announcement dated 29 April 2025 and the scheme document dated 25 June 2025 (the “**Scheme Document**”), both jointly issued by the Offeror and the Company, in relation to the Proposal and the Scheme of which this letter forms part. Terms defined in the Scheme Document shall have the same meanings in this letter unless the context otherwise requires.

We have been appointed by the Board as the Independent Board Committee to make a recommendation to the Scheme Shareholders in respect of the Proposal and the Scheme, details of which are set out in the Letter from the Board in Part IV and the Explanatory Memorandum in Part VII of the Scheme Document.

Platinum Securities, the Independent Financial Adviser, has been appointed with our approval, to advise us in connection with the Proposal and the Scheme. The details of its advice and the principal factors taken into consideration in arriving at its recommendations are set out in the Letter from the Independent Financial Adviser in Part VI of the Scheme Document.

In the Letter from the Independent Financial Adviser in Part VI of the Scheme Document, the Independent Financial Adviser states that it considers the Proposal and the Scheme are fair and reasonable so far as the Disinterested Shareholders are concerned, and advises the

Independent Board Committee to recommend the Disinterested Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the SGM to approve and implement the Proposal and the Scheme.

The Independent Board Committee, having considered the Proposal and the Scheme, and having taken into account the advice of the Independent Financial Adviser, and in particular the factors, reasons and recommendations set out in its letter, considers that the Proposal and the Scheme are fair and reasonable so far as the Disinterested Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Disinterested Shareholders to vote in favour of the resolutions to be proposed at the Court Meeting and the SGM to approve and implement the Proposal and the Scheme.

The Independent Board Committee draws the attention of the Disinterested Shareholders to (i) the Letter from the Board in Part IV of the Scheme Document; (ii) the Letter from the Independent Financial Adviser in Part VI of the Scheme Document, which sets out the factors and reasons taken into account in arriving at its recommendations to the Independent Board Committee; and (iii) the Explanatory Memorandum in Part VII of the Scheme Document.

Yours faithfully,

**Independent Board Committee**

**Bhanusak Asvaintra**

*Independent Non-executive Director*

**Nicholas Peter Etches**

*Independent Non-executive Director*

**Fung Yue Ming, Eugene Michael**

*Independent Non-executive Director*

**Lam Sze Wan Patricia**

*Independent Non-executive Director*

\* *For identification purposes only*

*Set out below is the letter of advice from Platinum Securities, the Independent Financial Adviser to the Independent Board Committee, in respect of the Proposal and the Scheme, which has been prepared for the purpose of inclusion in this Scheme Document.*

*The following is the text of the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Disinterested Shareholders for the purpose of incorporation into this Scheme Document.*



**PLATINUM**  
Securities

25 June 2025

*To the Independent Board Committee and the Disinterested Shareholders*

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED BY THE OFFEROR  
BY WAY OF  
A SCHEME OF ARRANGEMENT  
UNDER SECTION 99 OF THE COMPANIES ACT  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED**

**INTRODUCTION**

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Disinterested Shareholders in relation to the Proposal. Details of the Proposal are set out in the Scheme Document dated 25 June 2025 of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Scheme Document unless the context requires otherwise.

The Offeror and the Company jointly announced that, on 23 April 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of a scheme of arrangement under section 99 of the Companies Act.

In our capacity as the Independent Financial Adviser, our role is to advise the Independent Board Committee and the Disinterested Shareholders as to whether the Proposal and the Scheme are, or are not, fair and reasonable so far as the Disinterested Shareholders are concerned; and to give independent advice to the Independent Board Committee as to whether the Disinterested Shareholders should vote in favour of the relevant resolutions to be proposed at the Court Meeting and the SGM to approve and implement the Scheme.

In formulating our opinion, we have relied on the information and facts supplied to us by the Directors and/or management of the Group. We have reviewed, among other things:

- (i) the Announcement;
- (ii) the Scheme Document;
- (iii) the audited annual reports of the Company for the financial years ended 31 March 2023 (the “2023 Annual Report”) and 31 March 2024 (the “2024 Annual Report”); and
- (iv) the audited annual results announcement of the Company for the financial year ended 31 March 2025 (the “2025 Annual Results Announcement”).

We have assumed that all information, facts, opinions and representations contained in the Scheme Document (including the statement concerning no material change in financial or trading position or outlook of the Group since the date of the latest audited consolidated financial statements of the Group were made up) are true, complete, accurate and not misleading at the time they were made and continue to be so in all material respects as at the Latest Practicable Date and we have relied on the same, except that no assumption is made by us in respect of our own opinions contained in the Scheme Document. The Directors have confirmed that they take full responsibility for the accuracy of the information contained in the Scheme Document, and have confirmed, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Scheme Document have been arrived at after due and careful consideration and there are no other facts not contained in the Scheme Document, the omission of which would make any statement in the Scheme Document misleading.

We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy or completeness of all facts as set out in the Scheme Document and of the information and representations provided to us by the Directors and/or the management of the Group. Furthermore, we have no reason to suspect the reasonableness of the opinions and representations expressed by the Directors and/or the management of the Company, which have been provided to us. In line with normal practice, we have not, however, conducted a verification process of the information supplied to us, nor have we conducted any independent in-depth investigation into the business and affairs of the Company. We have also relied on information available to the public which we assumed to be accurate and reliable. We consider that we have reviewed sufficient information to enable us to reach an informed view and to provide a reasonable basis for our opinion regarding the terms of the Proposal.

We have not considered the tax and regulatory implications as regards the Proposal and the Scheme since these depend on individual circumstances of relevant persons or entities. In particular, the Disinterested Shareholders who are overseas residents or subject to overseas taxation or Hong Kong taxation on securities dealings should consider their own tax positions and, if in any doubt, should consult their own professional advisers.

As at the Latest Practicable Date, Sir Dickson Poon is the 100% controller of DIHPTC (the trustee of the Trusts and the sole shareholder of the Offeror) and the sole director of the Offeror. The sister of Sir Dickson Poon, Madam Penny Poon, is the spouse of the executive chairman and the mother of the two executive directors of The Bank of East Asia, Limited (“BEA”). Madam Penny Poon, together with her spouse and the said two children (collectively, the “Li Family”), on an aggregate basis, directly hold or control (through controlled corporations) approximately 7.28% non-controlling (as “control” is defined in the Takeovers Code) equity interest in BEA. BEA holds 29.9% non-controlling (as “control” is defined in the Takeovers Code) equity interest in the issued share capital in the parent company (“IFA Holdco”) that holds 100% of the issued share capital of the Independent Financial Adviser, and its board is not controlled by members of the Li Family (individually or together with other members). Further, the deputy chief executive and chief investment officer of BEA (who is not connected to nor a “close associate” (as defined under the Listing Rules) of the Li Family) acts as a board member of IFA Holdco (not on the board of the Independent Financial Adviser).

As (i) BEA and the foregoing persons do not control or exert control over the Independent Financial Adviser or the IFA Holdco, individually or together with any other persons (by way of control over any board, effective shareholding or otherwise); (ii) the Independent Financial Adviser and the IFA Holdco had no business dealing (including any circumstances as described under Rule 13.84 of the Listing Rules) with the Offeror, the Company, or any other parties to the Proposal, or their respective substantial shareholder during the past two years; (iii) BEA is not a “close associate” (as defined under the Listing Rules) of the foregoing persons; and (iv) the deputy chief executive and chief investment officer of BEA and BEA are not presumed to be acting in concert with the Offeror under the Takeovers Code despite the Li Family is a presumed concert party of the Offeror, given the remoteness of the indirect relationship between the Offeror and us (in our capacity as the Independent Financial Adviser) as described above, we are considered suitable to give independent advice on the Proposal, and our engagement as Independent Financial Adviser in connection with the Proposal is not reasonably likely to create, or give rise to a perception of, a conflict of interest or which is reasonably likely to affect the objectivity of our advice. Other than the foregoing, we did not have any relationship with, or interest in, the Company, the Offeror, or any other parties to the Proposal, or their respective substantial shareholder(s) or connected person(s) (as defined under the Listing Rules) that could reasonably be regarded as relevant to our independence.

We have not acted as a financial adviser and have not provided any other services to the Company, the Offeror, or any other parties to the Proposal, or their respective substantial shareholder during the past two years. We will receive a fee from the Company for our acting role as the Independent Financial Adviser to the Independent Board Committee in relation to the Proposal. Apart from the normal professional fee payable to us in connection with this appointment, no arrangements exist whereby we will receive any fees or benefits from the Company, the Offeror or any other parties to the Proposal or their respective substantial shareholder(s) or connected person(s) (as defined under the Listing Rules).

The Independent Board Committee, comprising Mr. Bhanusak Asvaintra, Mr. Nicholas Peter Etches, Mr. Fung Yue Ming, Eugene Michael and Ms. Lam Sze Wan Patricia, has been established to advise the Disinterested Shareholders as to whether the Proposal and the Scheme are fair and reasonable so far as the Disinterested Shareholders are concerned, and to make recommendations to the Disinterested Shareholders whether to vote in favour of the relevant resolutions to be proposed at the Court Meeting and the SGM to approve and implement the Scheme.

## **PRINCIPAL FACTORS AND REASONS CONSIDERED**

In arriving at our opinion and recommendation with regard to the Proposal, we have taken into account the principal factors and reasons set out below:

### **1. Background of the Proposal**

On 23 April 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of a scheme of arrangement under section 99 of the Companies Act.

### **2. Summary of the Proposal**

The Proposal will involve the privatisation of the Company by the Offeror by way of the Scheme and the withdrawal of the listing of the Shares from the Stock Exchange, on the terms and subject to the following conditions:

**Cancellation Price** : Subject to the satisfaction or waiver (where applicable) of the Conditions and the Scheme becoming effective, all Scheme Shares will be cancelled and the Scheme Shareholders will be entitled to receive from the Offeror:

For every Scheme Share cancelled . . . . . HK\$7.20 in cash

**Key terms** : If the Scheme is approved and becomes effective and is implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will, on the Effective Date, be cancelled in exchange for the payment of the Cancellation Price of HK\$7.20 per Scheme Share to each Scheme Shareholder by the Offeror;
- (b) contemporaneously with such cancellation of the Scheme Shares, the share capital of the Company will be maintained at the amount immediately prior to the cancellation of the Scheme Shares by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of new Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Company's books of account as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror; and
- (c) subject to the obtaining of the approval from the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange pursuant to Rule 6.15(2) of the Listing Rules, the listing of the Shares will be withdrawn subject to and after the Scheme becomes effective.

If the Scheme is not approved or the Proposal otherwise lapses, an announcement will be made by the Offeror and the Company, and:

- (a) no Scheme Shares will be cancelled, the shareholding structure of the Company will not change as a result of the Proposal, and the Company will continue to have sufficient public float as required by the Listing Rules;
- (b) the listing of the Shares on the Stock Exchange will not be withdrawn; and



- (c) there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with the Offeror in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, (i) announce an offer or possible offer for the Company, or (ii) acquire any voting rights of the Company if the Offeror or persons acting in concert with it would thereby become obliged under Rule 26 of the Takeovers Code to make an offer, in each case except with the consent of the Executive.

**Total consideration** : Assuming that there are no changes in the issued share capital of the Company from the Latest Practicable Date up to and including the Scheme Record Date, the Proposal will involve the cancellation of 152,577,882 Scheme Shares in exchange for the Cancellation Price of HK\$7.20 per Scheme Share, and the maximum cash consideration payable by the Offeror under the Proposal is approximately HK\$1,098,560,751.

The Offeror proposes to finance the cash consideration required under the Proposal by internal resources.

**Conditions of the Proposal** : The implementation of the Proposal is, and the Scheme will only become effective and binding on the Company and all Scheme Shareholders, subject to the satisfaction or waiver (where applicable) of the following Conditions:

- (a) the approval of the Scheme (by way of poll) at the Court Meeting by a majority in number of the Scheme Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting;

- (b) the approval of the Scheme (by way of poll) by not less than three-fourths of the votes attaching to the Disinterested Scheme Shares that are voted either in person or by proxy at the Court Meeting, provided that the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme is not more than 10% of the votes attaching to all the Disinterested Scheme Shares;
- (c) the passing by the Shareholders at the SGM of a special resolution to approve any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares and to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares (credited as fully paid) as is equal to the number of Scheme Shares cancelled and applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such new Shares;
- (d) the sanction of the Scheme (with or without modification) by the Court and the delivery to the Registrar of Companies in Bermuda of a copy of the order of the Court for registration;
- (e) compliance, to the extent necessary, with the applicable procedural requirements and conditions of section 46 of the Companies Act in relation to any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares;
- (f) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or the Scheme void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations in connection with the Proposal or the Scheme), other than such actions, proceedings, suits, investigations or enquiries as would not have material adverse effect on the legal ability of the Offeror to proceed with the Proposal or the Scheme;

- (g) all Applicable Laws having been complied with and no legal, regulatory or administrative requirement having been imposed by any Authority in any jurisdiction which is not expressly provided for, or is in addition to the legal, regulatory or administrative requirements expressly provided for, in the Applicable Laws in connection with the Proposal or the Scheme, in each case up to and as at the Effective Date;
- (h) since the Announcement Date, there having been no material adverse change to the business, assets, financial or trading position or the prospects or conditions (whether operational, legal or otherwise) of the Group (to an extent which is material in the context of the Company and its subsidiaries taken as a whole or in the context of the Proposal); and
- (i) all Approvals which are required in connection with the Proposal having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification or variation.

The Conditions in paragraphs (a) to (e) (inclusive) cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraph (f) to (i) (inclusive), to the extent permissible by Applicable Laws, the Listing Rules and the Takeovers Code, either in whole or in part, either generally or in respect of any particular matter.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Proposal if the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal. The Company has no right to waive any of the Conditions.

All of the above Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse. As at the Announcement Date, none of the Conditions have been satisfied or (if applicable) waived.

In respect of Condition (i), as at the Latest Practicable Date, other than the Conditions (a) to (e) (inclusive) as set out above and the approval by the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange, the Offeror is not aware of any necessary authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals required for the Proposal.

### 3. Overview of the Group

#### 3.1 Background and businesses of the Group

The Company was incorporated in Bermuda and its Shares are listed on the Main Board of the Stock Exchange (stock code: 0113). The Company is an investment holding company and the Group is principally engaged in (i) the sale of luxury goods (including watches, jewellery, cosmetics and beauty products, fashion and accessories) through its retail network in Greater China; and (ii) investments in listed and unlisted securities.

#### 3.2 Financial information of the Group

Set out below is a table summarising certain key financial information of the Group for the financial years ended 31 March 2023 (“FY2023”), 31 March 2024 (“FY2024”) and 31 March 2025 (“FY2025”), as derived from the 2023 Annual Report, the 2024 Annual Report and the 2025 Annual Results Announcement.

##### (a) Financial performance of the Group

#### Highlights of the consolidated profit and loss position of the Group

(HK\$'000)	FY2023 (Audited)	FY2024 (Audited)	FY2025 (Audited)
Revenue	2,130,785	2,400,137	1,921,768
Year-on-year change	5.5%	12.6%	-19.9%
Gross profit	996,112	1,097,911	859,096
Year-on-year change	5.2%	10.2%	-21.8%
Profit before taxation	274,376	355,373	228,770
Year-on-year change	10.8%	29.5%	-35.6%
Profit for the year attributable to equity shareholders of the Company	252,637	350,767	198,012
Year-on-year change	25.7%	38.8%	-43.5%
Net profit margin	11.9%	14.6%	10.3%
Earnings per share (HK cents)	64.1	89.0	50.4
Dividend per share (HK cents)	35.0	45.0	10.0 (Note)

*Note:* An interim dividend of HK10.0 cents was declared on 28 November 2024 and paid on 21 January 2025. As at the Last Practicable Date, the Company has no declared but unpaid dividends and/or distribution and/or other return capital and the Company does not intend to announce, declare and/or pay any dividend, distribution or other return of capital before the Effective Date.

As at 31 March 2025, the Group operates a total of 63 stores in its retail network, including 5 stores in Hong Kong, 32 stores in China and 26 stores in Taiwan. Despite Hong Kong having the least number of stores, sales from Hong Kong attributed to approximately 63.0% of the total revenue of the Group in FY2025, significantly exceeding the revenue attributed by sales in China and Taiwan of approximately 7.2% and 29.8% respectively. Despite retail sales turnover in China having increased in FY2025 (by approximately 17.0% compared to FY2024) due to the opening of 4 new stores, the Group's overall sales turnover decreased by approximately 19.9% in FY2025 mainly due to extremely weak market condition in Hong Kong and the closures of (i) Beauty Bazaar The ONE store in December 2023; and (ii) Harvey Nichols Landmark store in March 2024.

#### Revenue breakdown by region

Region	Number of stores as at 31 March 2023	Revenue contribution in FY2023 (%)	Number of stores as at 31 March 2024	Revenue contribution in FY2024 (%)	Number of stores as at 31 March 2025	Revenue contribution in FY2025 (%)
Hong Kong	7	69.7	5	70.2	5	63.0
China	30	4.9	28	5.3	32	7.2
Taiwan	25	25.4	26	24.5	26	29.8
<b>Total:</b>	<b>62</b>	<b>100.0</b>	<b>59</b>	<b>100.0</b>	<b>63</b>	<b>100.0</b>

*Source: The 2023 Annual Report, the 2024 Annual Report, the 2025 Annual Results Announcement, management of the Company*

In terms of product mix, the Group derived more than 90.0% of its revenues from the sale of luxury goods in FY2025. Specifically, in FY2025, the Group derived approximately (i) 49.9% of its total revenue from the sale of watches and jewellery; (ii) 18.0% of its total revenue from the sale of cosmetics and beauty products; and (iii) 26.1% of its total revenue from the sale of fashion and accessories. The sale of cosmetics and beauty products and the sale of fashion and accessories recorded a decline in revenue of approximately 52.5% and 16.6% respectively, in FY2025. Such decline was due to the weak retail market sentiment and the closure of Beauty Bazaar The ONE store on 10 December 2023 and Harvey Nichols Landmark store on 31 March 2024. Aside from the sale of luxury products, the Group derived approximately 6.0% of its revenue from its securities investment in FY2025. Despite the investment market remaining volatile during FY2025 as the timing and extent of interest rate reductions remain unclear, the Group managed its investment portfolio (with investments in bonds, equity-linked notes, money market funds and direct investments) cautiously and generated revenue in the amount of approximately HK\$115.6 million for the securities investment business segment of the Group in FY2025, representing a comparable level of revenue for the segment as compared to approximately HK\$114.6 million in FY2024.

**Revenue breakdown by category of products sold and investment income**

	<b>FY2023</b>		<b>FY2024</b>		<b>FY2025</b>	
	(HK\$'000)	(%)	(HK\$'000)	(%)	(HK\$'000)	(%)
<b>Revenue from sale of the following category of luxury goods:</b>						
– Watches and jewellery	980,565	46.0	955,336	39.8	958,451	49.9
– Cosmetics and beauty products	546,691	25.7	728,163	30.3	345,583	18.0
– Fashion and accessories	536,995	25.2	602,026	25.1	502,153	26.1
<b>Revenue from securities investment:</b>						
– Dividend income, fair value change and interest income	66,534	3.1	114,612	4.8	115,581	6.0
<b>Total:</b>	<b>2,130,785</b>	<b>100.0</b>	<b>2,400,137</b>	<b>100.0</b>	<b>1,921,768</b>	<b>100.0</b>

*Source: The 2023 Annual Report, the 2024 Annual Report and the 2025 Annual Results Announcement*

**FY2024 vs FY2023**

The Group recorded a slight increase in turnover of approximately 12.6% in FY2024 compared to FY2023 due to an increase in sales of cosmetics and beauty products as well as fashion and accessories, alongside an increase in profit contribution from its securities investment portfolio. However, the Group recorded a drop in revenue from the sale of watches and jewellery, being its largest revenue segment, from approximately HK\$980.6 million in FY2023 to approximately HK\$955.3 million in FY2024. Gross profit recorded amounted to approximately HK\$1,097.9 million in FY2024, representing an approximately 10.2% increase as compared to FY2023. However, the gross profit margin of the Group decreased slightly from approximately 46.7% in FY2023 to approximately 45.7% in FY2024. Profit attributable to shareholders was approximately HK\$350.8 million in FY2024, representing an increase of approximately 38.8% compared to approximately HK\$252.6 million in FY2023. Such increase in net profit was due to the increase in sales turnover coupled with strict control of costs at all levels of the Group's operation.

Together with the interim dividend of HK10 cents in 2024 (2023: HK8 cents) per ordinary share, the Company's total dividend payout was HK45 cents (FY2023: HK35 cents) per ordinary share in FY2024.

**FY2025 vs FY2024**

The Group reported an approximately 19.9% decline in turnover in FY2025 compared to FY2024, primarily driven by weak consumer sentiment in Hong Kong and unstable economic conditions. Additionally, shifting spending preferences of Hong Kong consumers (some of whom seeking to capture better value from their spending in other cities and regions such as Shenzhen and Japan), alongside the depreciation of the Japanese Yen, further contributed to the downturn. Gross profit recorded amounted to approximately HK\$859.1 million in FY2025, representing an approximately 21.8% decrease as compared to FY2024 due to the decline in turnover, and the gross profit margin of the Group decreased slightly from approximately 45.7% in FY2024 to approximately 44.7% in FY2025. The Group's profit attributable to shareholders was approximately HK\$198.0 million in FY2025, representing a significant decrease of approximately 43.5% compared to approximately HK\$350.8 million in FY2024. Such decline in net profit and net profit margin was mainly due to the combined effect of (i) decrease in sales turnover of approximately 19.9%; and (ii) a decrease in other income (mainly comprised of the interest income less the foreign exchange loss and net impairment loss on listed debt securities), while the operating expenses have declined by a lesser magnitude of approximately 14.7% only.

The Group only declared an interim dividend of HK10 cents in 2025 (2024: HK10 cents) per ordinary share, which represented the Company's total dividend payout for FY2025 (FY2024: HK45 cents).

*(b) Financial position of the Group*

**Highlights of the consolidated financial position of the Group**

(HK\$'000)	As at 31 March		
	2023 (Audited)	2024 (Audited)	2025 (Audited)
Non-current assets	1,714,249	812,820	569,760
Current assets	3,885,715	4,545,605	4,313,977
– Cash and bank balances	3,267,883	3,469,605	3,275,825
– Other financial assets	280,410	654,628	742,019
<b>Total assets</b>	<b>5,599,964</b>	<b>5,358,425</b>	<b>4,883,737</b>
Non-current liabilities	521,260	405,557	260,306
Current liabilities	1,689,610	1,381,132	1,089,620
– Bank borrowings	1,005,553	799,093	605,309
<b>Total liabilities</b>	<b>2,210,870</b>	<b>1,786,689</b>	<b>1,349,926</b>
<b>Total equity attributable to Shareholders of the Company</b>	<b>3,389,094</b>	<b>3,571,736</b>	<b>3,533,811</b>
Gearing ratio (%) (Note 1)	29.67%	22.37%	17.13%

Source: The 2023 Annual Report, the 2024 Annual Report and the 2025 Annual Results Announcement.

Note(s):

(1) Gearing ratio is calculated based on total debt divided by total equity.



**31 March 2024 vs 31 March 2023**

The Group's non-current assets comprised principally financial assets and property, plant and equipment (including the right to use self-used storage, retail outlets and offices). Its non-current assets had decreased significantly as at 31 March 2024 as compared to 31 March 2023 owing to the revaluation of its securities investments (including unlisted equity and non-equity securities and listed debt securities), as well as reclassification of part of its investment in listed debt securities as current assets in FY2024. The Group's current assets comprised principally cash holdings in the form of cash and cash equivalents and bank balance; and to a lesser extent, listed debt securities measured at amortised cost net of loss allowance. Current assets had increased by close to 17.0% from approximately HK\$3.89 billion as at 31 March 2023 to approximately HK\$4.55 billion as at 31 March 2024 as its cash holdings and financial assets holdings increased.

The Group's net liquid financial resources as at 31 March 2024 stood at approximately HK\$2,670.5 million (2023: HK\$2,262.3 million), represented by cash and bank balances of HK\$3,469.6 million (2023: HK\$3,267.9 million) less short-term bank borrowings of HK\$799.1 million (2023 : HK\$1,005.6 million). The gearing ratio of the Group has improved from approximately 29.67% as at 31 March 2023 to approximately 22.37% as at 31 March 2024, which is mainly due to the decrease in bank borrowings and the slight increase in cash and bank balance.

**31 March 2025 vs 31 March 2024**

The Group's non-current assets had decreased significantly by approximately 29.9% as at 31 March 2025 as compared to 31 March 2024 owing to the decline in value of right-of-use asset, property, plant and equipment and deposits and prepayments due to the closure of certain retail stores, as well as part of the revaluation and reclassification of certain financial assets. The Group's current assets comprised principally cash holdings in the form of cash and cash equivalents and bank balance. Taking into account an approximately 50.4% decrease in debtors, deposits and prepayments related to a decline in turnover, coupled with a slight decrease in cash and bank balances, the current assets of the Group had decreased by close to 5.1% from approximately HK\$4.55 billion as at 31 March 2024 to HK\$4.31 billion as at 31 March 2025.

The Group's net liquid financial resources as at 31 March 2025 stood at approximately HK\$2,670.5 million (2024 : HK\$2,670.5 million), comprising by cash and bank balances in the amount of approximately HK\$3,275.8 million (2024: HK\$3,469.6 million) less short-term bank borrowings in the amount of approximately HK\$605.3 million (2024 : HK\$799.1 million). Gearing ratio of the Group has improved from approximately 22.37% as at 31 March 2024 to approximately 17.13% as at 31 March 2025, mainly due to a decrease in bank borrowings while maintaining a similar level of cash and bank balance.

**4. Information on the Offeror**

The Offeror is a company incorporated in the British Virgin Islands with limited liability. As at the Latest Practicable Date, the Offeror is a wholly-owned subsidiary of DIHPTC, a trustee of the Trusts, which in turn is wholly-owned by Sir Dickson Poon. The principal business of the Offeror is investment holding. The sole director of the Offeror is Sir Dickson Poon.



**5. Impact of the Proposal on the shareholding structure of the Company**

The table below sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately upon completion of the Proposal, assuming that there is no other change in shareholding of the Company before the Scheme Record Date:

Shareholders	As at the Latest Practicable Date		Immediately upon the completion of the Proposal	
	Number of Shares	Approximate percentage of total issued share capital (%)	Number of Shares	Approximate percentage of total issued share capital (%)
<b>Offeror and Offeror Concert Parties</b>				
Offeror	–	–	152,577,882	39.52
DIHPTC, Paicolex BVI and Paicolex				
AG (Note 1)	233,464,065	60.47	233,464,065	60.47
Sir Dickson Poon (Note 1)	17,361	0.01	17,361	0.01
Pearson Poon (Note 1)	83,000	0.02	–	–
Other close relatives of Sir Dickson				
Poon (Note 2)				
Sheila Poon (Note 2a)	4,202,380	1.09	–	–
Poon, Penny (Note 2b)	5,478,753	1.42	–	–
Poon, Kam Wai May (Note 2c)	5,053,397	1.31	–	–
King Wing Keung Walter (Note 2d)	500	0.00	–	–
Poon, Kam Yin Yvonne (Note 2e)	2,125,937	0.55	–	–
Boey John Hoong (also known as				
Mei Jan Hoong) (Note 2f)	208,253	0.05	–	–
Boey Mark Frederick (Note 2g)	21,000	0.01	–	–
Kingray Finance Co. Ltd. (Note 2h)	3,242,107	0.84	–	–
Poon Dee Chu Ying (Note 2i)	12,033	0.00	–	–
Poon Tak Wing Daryl May (Note 2j)	18,000	0.01	–	–
Sub-total of Other close relatives of				
Sir Dickson Poon	20,362,360	5.27	–	–
DCL (Note 3)	471	0.00	–	–
Sub-total of Offeror and Offeror				
Concert Parties	253,927,257	65.77	386,059,308	100
<b>Disinterested Shareholders</b>				
Disinterested Shareholders	132,132,051	34.23	–	–
<b>Total number of Scheme Shares</b>				
(Note 4)	152,577,882	39.52	–	–
<b>Total number of Shares</b>	<b>386,059,308</b>	<b>100</b>	<b>386,059,308</b>	<b>100</b>

*Notes:*

- (1) As at the Latest Practicable Date, DIHPTC, Paicolex BVI and Paicolex AG are trustees of the Trusts, with DIHPTC interested in 233,464,065 Shares. DIHPTC is the sole shareholder of the Offeror. The founder of the Trusts is Sir Dickson Poon and Pearson Poon (the son of Sir Dickson Poon) is among the eligible beneficiaries of the Trusts. In addition, Sir Dickson Poon and Pearson Poon hold 17,361 Shares and 83,000 Shares, respectively.
- (2) Represents the Shares held by the close relatives of Sir Dickson Poon: (a) Sheila Poon, the mother of Sir Dickson Poon; (b) Poon, Penny, the sister of Sir Dickson Poon, and her controlled companies (namely Super Fortune Ventures Ltd., Twin Profit Holdings Ltd. and Super Eighty Eight Ventures Ltd.); (c) Poon, Kam Wai May, the sister of Sir Dickson Poon, and her controlled company (namely Jumbo Joy Enterprises Ltd.); (d) King Wing Keung Walter, the spouse of Poon, Kam Wai May; (e) Poon, Kam Yin Yvonne, the sister of Sir Dickson Poon, and her controlled company (namely Produce Return Ltd.); (f) Boey John Hoong (also known as Mei Jan Hoong), the spouse of Poon, Kam Yin Yvonne; (g) Boey Mark Frederick, the son of Poon, Kam Yin Yvonne; (h) Kingray Finance Co. Ltd., a company held among the sisters of Sir Dickson Poon, Sir Dickson Poon and their mother; (i) Poon Dee Chu Ying, the daughter of Sir Dickson Poon; and (j) Poon Tak Wing Daryl May, the daughter of Sir Dickson Poon. All of the above are presumed concert parties of the Offeror under the Takeovers Code.
- (3) These Shares represent fractional shares issued pursuant to scrip dividend schemes of the Company in previous years and are held by DCL, a wholly-owned subsidiary of the Company and a presumed concert party of the Offeror under the Takeovers Code, as nominee on behalf of the Company.
- (4) All Shares, other than those Shares held by Sir Dickson Poon, DIHPTC, Paicolex BVI and Paicolex AG, will form part of the Scheme Shares.
- (5) The percentages are subject to rounding adjustments. Percentage figures shown as sub-total or total may not be in arithmetic aggregation of the percentage figures preceding them.

**6. Reasons for and benefits of the Proposal**

The Proposal is expected to achieve a number of objectives and benefits as set out below:

***6.1 For the Company: a proposal to mitigate declining profits and facilitate flexibility in formulating new business and growth strategies which will require significant investments and result in likely initial losses to be incurred in those new businesses***

Consumer sentiment in Hong Kong continues to be weak while major luxury brands continue to rapidly expand their presence in China with a narrowing of price difference between China and Hong Kong. Furthermore, Chinese tourists are staying in Hong Kong for shorter periods and are no longer as focused on shopping as they used to be before the COVID-19 pandemic. Facing with these factors, the Company has implemented a number of strategic changes to adapt to the shifting market dynamics, including closing its Harvey Nichols store at the Landmark and Beauty Bazaar store at The ONE, and its financial performance remain under pressure.

According to the 2025 Annual Results Announcement, the turnover of the Group decreased to approximately HK\$1,921.8 million in FY2025 (representing a decrease by approximately 19.9% as compared to FY2024), mainly due to weak customer sentiment and an unstable economic environment. In addition, based on our discussion with the management of the Company, the Company's current business model can no longer stimulate future growth as

it once did before the COVID-19 pandemic as consumer behaviour have changed in the evolving retail market landscape. This shift is especially disadvantageous for multi-brand retailers like Harvey Nichols in Hong Kong, with many luxury brands having established their own stores in the same malls as Harvey Nichols. Such lack of exclusivity to Harvey Nichols reduces the overall appeal of Harvey Nichols' brands mix and offering. At the same time, post-pandemic shifts in consumer behaviour have further impacted the Group's core business, with Hong Kong consumers preferring to travel to destinations that offer the best value over shopping locally. Mainland China has also extended its instant tax refund policy for foreign visitors from certain selected cities to nationwide (thereby allowing shops in all its cities to apply for offering instant tax refunds). This enables leading luxury brands like Louis Vuitton, Dior, Moncler, etc., to market and sale their products in Mainland China with comparatively lower price than in Hong Kong. All in all, these factors will make Hong Kong (being the most significant revenue generating market for the Group) less attractive as a shopping destination for foreign tourists and is likely to encourage Hong Kong consumers to direct their spending to Mainland China and abroad.

We understand from the management of the Company that the local consumer sentiment has been weak since the recovery from the COVID-19 pandemic, with continued preference of Hong Kong consumers at all income levels to travel and spend abroad, either in Shenzhen where better value, service and variety for entertainment and shopping are offered, or in Japan or Europe where retail prices for luxury goods are significantly cheaper due to weak currencies and tax rebates.

Set out below is our assessment on the retail market in Hong Kong and operating environment of the Group based on (i) the overall retail sales value; and (ii) value of retail sales in department stores before and after the COVID-19 pandemic.

**Retail sales value in Hong Kong**

	2018	2019	2020	2021	2022	2023	2024	For the first three months of 2024	2025
Total value of retail sales (HK\$ million)	485,169	431,160	326,451	352,948	349,964	406,649	376,847	101,444	94,835
Year-on-year change	8.7%	-11.1%	-24.3%	8.1%	-0.8%	16.2%	-7.3%	-1.3%	-6.5%
Value of retail sales in department stores (HK\$ million)	53,257	46,353	35,939	34,752	31,294	35,176	30,302	7,691	7,046
Year-on-year change	9.5%	-13.0%	-22.5%	-3.3%	-10.0%	12.4%	-13.9%	-6.8%	-8.4%

*Source: Census and Statistics Department*

As shown above, since the COVID-19 pandemic began in 2020, the value of overall retail sales in Hong Kong had experienced a general decline compared to previous years up until 2023 when the pandemic was over in 2023. Despite there being signs of recovery in 2023, from 2023 to 2024, retail sales value declined again from approximately HK\$406,649 million to approximately HK\$376,847 million in 2024, representing a year-on-year decrease of approximately 7.3%. In addition, for the first three months of 2025, retail sales value in Hong Kong amounted to only approximately HK\$94,835 million, representing a year-on-year decrease of approximately 6.5% as compared with the corresponding period in 2024.

During the same period as the above paragraph, the value of retail sales in department stores had observed a similar trend, but the sector appeared to have encountered more challenges, with the following observations: (i) the year-on-year increase in retail sales (of approximately 12.4% from 2022 to 2023) represent a slower recovery as compared with that experienced by the overall retail sales (which recorded the year-on-year increase of approximately 16.2% during the same period); and (ii) the department store sector recorded a more material decline in retail sales (with year-on-year decline of approximately 13.9% from 2023 to 2024, and a decline of approximately 8.4% for the first three months of 2025 as compared with the corresponding period in 2024) as compared to that experienced by the overall retail sector.

Therefore, we concur that the Company expects to see further headwinds affecting its business activities in the foreseeable future.

***6.2 For the Offeror: Seeking to re-shape the Group's businesses under a private environment and offer the Scheme Shareholders an attractive cash premium to exit their investment***

Founded by Sir Dickson Poon in 1980, the Group has played a pioneering role in introducing leading international luxury brands and retail concepts covering a variety of product categories for consumers. Over the decades, the Group has achieved significant growth for the Shareholders and maintained a strong and stable dividend track record. However, with the global retail landscape undergoing fundamental changes, the Group no longer believes that its current business model can sustain and spur future growth. Such changes have resulted in a decline of approximately 19.9% in sales revenue and a decline of approximately 43.5% in net profit in FY2025 as compared to FY2024. In light of this, Sir Dickson Poon, the founder and Chairman of the Group, believes it is imperative to identify and develop new business formats. As mentioned in the Explanatory Memorandum of this Scheme Document, the Company has initiated and continues to pursue acquiring and developing established or new fashion and accessories brands which it considers to have significant growth potential. It is also pursuing appropriate financial investments in sectors unrelated to its current principal activities and scope of business either solely or with partners experienced in those sectors. Such financial investments have focused on cash generative businesses in the non-life insurance, food processing and institutional health care industry. Any such transformation will require significant investments and likely incur material start-up losses. The Offeror considers these strategic shifts are best pursued with more flexibility under a private environment.

Based on our discussion with the management of the Company, to pursue growth, the Group must identify new angles or strategic investments. Thus, the Company has initiated and continues to pursue acquiring and developing established or new fashion and accessories brands which it considers to have significant growth potential. It is also pursuing appropriate financial investments in sectors unrelated to its current principal activities and scope of business either solely or with partners experienced in that sector. These initiatives will inevitably require significant investments, reducing the Company's cash position together with profit dilution. This will ultimately affect the Group's stable dividend history, as losses would be expected at the development stage for any new business initiatives. As at the Latest Practicable Date, the Company has further identified acquisition targets which, however, are at preliminary stages of discussion and no formal agreement has been reached. We are of the view that any such transformation of business will require significant investments and likely incur material start-up losses, which may have a negative impact on the financial position of the Group and therefore affect the performance of the Shares.

Given the current market conditions and the Group's belief that growth and profitability can only be achieved through investment in new initiatives, we are of the view and concur with the management that without the Proposal, it may be unrealistic to expect a continued increase in the Share price to a level close to or above the Cancellation Price in the foreseeable future. As such, the Offeror considers the Proposal, if implemented, will offer Scheme Shareholders a cash premium to exit their investment and also enable the Group to have greater flexibility to make strategic investment decisions.

***6.3 For the Scheme Shareholders: an attractive opportunity to monetise their investment in the Company at a price with a compelling premium***

As disclosed in the Explanatory Memorandum of this Scheme Document: (a) the Cancellation Price is higher than the market price over the last 10 years; (b) the Share has been valued at discounts to net asset value ("NAV") per Share consistently; and (c) the luxury retail market in Hong Kong is experiencing a gloomy outlook. The Proposal provides the Scheme Shareholders with an attractive opportunity to realise their investments in the Company despite the poor retail climate.

The Cancellation Price of HK\$7.20 for each Scheme Share represents (i) a premium of approximately 50.63% over the closing price of HK\$4.78 per Share as quoted on the Stock Exchange on the Last Trading Date; and (ii) a premium of approximately 49.69% and 63.64% over the average closing price of approximately HK\$4.81 and HK\$4.40 per Share for 30 trading days and three calendar years up to and including the Last Trading Day, respectively.

To further assess the Cancellation Price, we have analysed the market trading price of the Shares in the section headed "7.1(b) Analysis of Share price".

It is noted that the Share price has not reached the level of the Cancellation Price during the Review Period (as defined below), and per our analysis, the Cancellation Price represents a substantial premium of approximately 88.98% over the average closing prices of the Shares during the Review Period. Subsequent to the publication of the Announcement and up to the Latest Practicable Date, the closing prices of the Shares had remained at levels below the Cancellation Price.

Although the broader equity market, as reflected by the Hang Seng Index, is generally on an upward trajectory since the last quarter of 2024, the price performance of the Shares has been relatively stagnant until the recent increase that we believe may have been associated with the release of the Announcement. Set out below is our assessment of the trend comparison between Hang Seng Index and the Share price since 30 April 2024, being 12 months prior to the Announcement Date.

### Historical Share price of the Company vs. Hang Seng Index



Source: Bloomberg

It is observed that prior to the Announcement Date, the price of the Shares since the last quarter of 2024 has underperformed as compared to the Hang Seng Index. After the Announcement, the closing price of the Shares surged substantially from HK\$4.78 on 29 April 2025 to HK\$6.84 on 30 April 2025, representing a significant increase of 43.1% on a single day. We consider the current trading prices of the Shares to be supported by the existence of the Proposal, and the absence or termination of the Proposal could potentially be a factor leading to an adjustment in the Share price toward levels seen prior to the Announcement Date. Consequently, we concur with management's view that the Proposal provides Scheme Shareholders with a reasonable opportunity to divest their Shares at a premium over the prevailing market price.

In terms of trading volume, it is mentioned in the Explanatory Memorandum of this Scheme Document that the trading liquidity of the Shares has remained at a low level over an extended period of time. The average daily trading volume starting from 2011 up to and including the Last Trading Day ranged from 36,115 to 434,024 Shares, representing only approximately 0.01% to 0.11% of the total number of issued Shares as at the Last Trading Day. Given the limited active Shares being traded in the market, this has limited the Company's ability to conduct effective on-market Share buybacks. As mentioned in the Explanatory Memorandum of this Scheme Document, the ultimate beneficial owner of the Offeror has consistently demonstrated support for the Company through Share acquisitions, with 43,368,930 Shares acquired from 2012 to 2014 and 2016 to 2019, while the Company has undertaken Share buybacks using its surplus cash to enhance the Shareholders' value, with 35,930,328 Shares repurchased from 2015 to 2016, 2018 to 2019 and 2024 to 2025. The support brought by these Share acquisitions and Share buybacks to the Share price was limited and short-lived. The Shares closed 4.7% lower up to 7.0% higher on the immediate next day after such Share acquisitions and Share buybacks. Further, the low trading liquidity of the Shares has made it difficult for Shareholders to exit their investments without negatively impacting the Share price. The Board also considers that the Company's ability to raise capital through the equity capital markets is limited. Per our analysis on the trading liquidity of the Shares as discussed in the section headed "7.1 (c) Analysis on trading volume of the Shares", we note that the trading activities in Shares were generally illiquid and the Scheme Shareholders may experience difficulty in disposing of their Shares, and any sale of a significant number of Shares on the market may result in downward pressure on the market price of Shares. In this respect, we concur that the Proposal represents an opportunity for the Scheme Shareholders to realise their investments in the Company with the certainty of return. We noticed a substantial increase in trading liquidity for a couple of days before and after the Announcement. Considering the average daily trading volume starting from 30 April 2025 to the Latest Practicable Date ranged from 12,500 to 2,776,150 Shares, representing approximately 0.00% to 0.72% of the total number of issued Shares as at the Latest Practicable Date, we believe such relatively high volume was similarly triggered by presence of the Proposal and may not be sustainable in the absence of the Proposal.

We have further assessed the price of the Shares relative to the NAV per Share by reviewing the historic price-to-book ratio, being calculated by dividing the closing prices of the Shares by the book value of equity per share during the period commencing from 30 April 2015 (approximately 10 years prior to the Last Trading Day) to the Last Trading Day.



### Historical price-to-book ratio of the Company



Source: Bloomberg

As illustrated in the graph above, we noted that the price-to-book ratio of the Company has consistently remained below 1 for the past 10 years, which implies that the Shares has been trading below its NAV. We therefore consider the market has persistently valued the Company below its NAV and the Cancellation Price offers an opportunity for the Scheme Shareholders to realise their investments in the Company at a price higher than what the market generally offers.

In light of the above, and (i) given that the Company's financial performance has remained under pressure and the retail market sentiment is expected to remain weak in the near term due to various macroeconomic factors; (ii) in light of the uncertainties associated with the Company's transformation involving execution risk and the associated benefits requiring a longer time to realise; and (iii) given that the Shares have been valued at discounts to NAV per Share consistently, the Scheme provides an opportunity for the Scheme Shareholders to monetize their Shares at a premium over the current market price of the Company with certainty of return, we are of the view that the Proposal and the Scheme are fair and reasonable so far as the Disinterested Shareholders are concerned and in the interest of the Company and Disinterested Shareholders as a whole.



**7. Basis of Determination of the Cancellation Price**

**7.1 Share price and trading liquidity analysis of the Company**

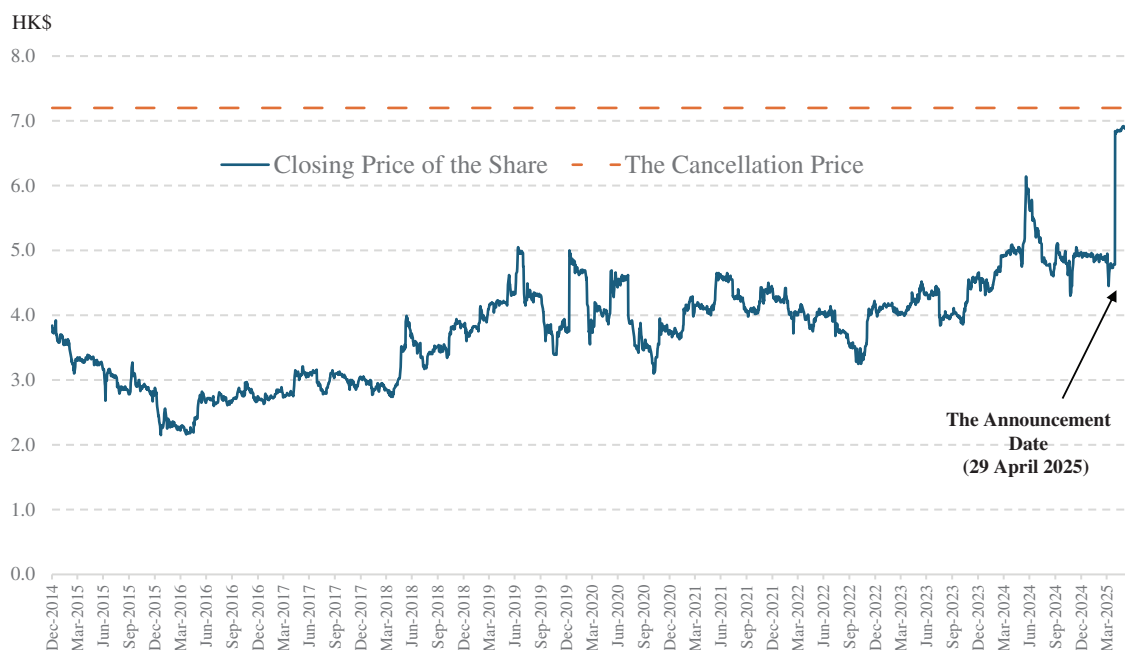
*(a) Comparison of value*

The Cancellation Price of HK\$7.20 per Scheme Share represents:

- a premium of approximately 50.63% over the closing price of HK\$4.78 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 51.58% over the average closing price of HK\$4.75 per Share as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 52.22% over the average closing price of HK\$4.73 per Share as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 49.69% over the average closing price of HK\$4.81 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 48.45% over the average closing price of HK\$4.85 per Share as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 48.76% over the average closing price of HK\$4.84 per Share as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- a premium of approximately 63.64% over the average closing price of HK\$4.40 per Share as quoted on the Stock Exchange for the three calendar years up to and including the Last Trading Day;
- a premium of approximately 4.96% over the closing price of HK\$6.86 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- a discount of approximately 21.31% to the audited consolidated net asset value attributable to Shareholders per Share (based on the total number of Shares as at 31 March 2025) of approximately HK\$9.15 as at 31 March 2025.

*(b) Analysis of Share price*

Set out below is a chart illustrating the historical closing prices of the Shares as quoted on the Bloomberg during the period commencing from 31 December 2014 (which is 10 years prior to the Last Trading Day) to the Last Trading Day (the “Pre-Announcement Period”), and subsequently up to and including the Latest Practicable Date (the “Post-Announcement Period”) (collectively, the “Review Period”). We consider a period of approximately ten years is adequate and representative to illustrate the price movements of the Shares which reflect (i) market and investors’ reaction towards the developments of the Group, including its financial performance and position, outlook and prospects; and (ii) prevailing market sentiment. We are of the view that this allows us to conduct a meaningful comparison between these closing prices of the Shares and the Cancellation Price.

**Historical Share price of the Company**

Source: Bloomberg

During the Review Period, we note that the closing prices of Shares ranged from HK\$2.15 to HK\$6.92, with an average closing price of approximately HK\$3.81. The Cancellation Price of HK\$7.20 is higher than the range of the lowest and highest closing price of the Shares quoted on the Stock Exchange during the Review Period, and represented a premium of approximately 234.88% over the lowest closing price of HK\$2.15 recorded on 21 January 2016, and a premium of approximately 4.05% over the highest closing price of HK\$6.92 recorded on 30 May 2025. Moreover, the Cancellation Price represents a premium of approximately 88.98% over the average closing price of approximately HK\$3.81.

As illustrated in the graph above, the Cancellation Price is higher than the closing prices of the Shares during the entire Review Period. During the Pre-Announcement Period, the Cancellation Price represents substantial premiums ranging from approximately 4.05% to 234.88% over the closing prices of the Shares. We note that, in general, the closing prices of the Shares showed a gradual increasing trend during the Pre-Announcement Period (i.e. from 31 December 2014 to 29 April 2025). In addition, the closing prices during the Review Period have never reached the Cancellation Price and the Cancellation Price represents a substantial premium over the closing prices during the Review Period.

During the Post-Announcement Period, and when the trading of the Shares resumed at 9:00 a.m. on 30 April 2025 following the publication of the Announcement in relation to the Proposal, the Share closing price increased to levels close to the Cancellation Price. As at the Latest Practicable Date, the Share price closed at HK\$6.86 per Share. We are of the view that the current Share prices are underpinned by the presence of the Proposal and the absence or lapse of the Proposal may cause the price of the Shares to retreat to levels before the Announcement.

Overall, considering the Cancellation Price is higher than the closing prices of the Shares during the entire Review Period, and that it represents a substantial premium of approximately 88.98% over the average of closing prices of the Shares during the Review Period, we are of the view that the Cancellation Price is fair and reasonable from the point of view of the historical trading price of the Shares.

*(c) Analysis on trading volume of the Shares*

With view to focusing on assessing the liquidity of the Shares under recent market conditions, an analysis on the trading volume of the Shares since January 2024 (as opposed to the Review Period of 10 years) is set out as below.

**Trading volume analysis**

	<b>Average daily trading volume</b>	<b>Approximate % of average daily trading volume to the total number of issued Shares</b>	<b>Approximate % of average daily trading volume to the total number of Disinterested Scheme Shares</b>
<b>2024</b>			
January	38,701	0.01	0.03
February	74,983	0.02	0.06
March	35,800	0.01	0.03
April	36,925	0.01	0.03
May	32,758	0.01	0.02
June	137,206	0.04	0.10
July	88,648	0.02	0.07
August	54,283	0.01	0.04
September	52,742	0.01	0.04
October	226,238	0.06	0.17
November	136,576	0.04	0.10
December	130,712	0.03	0.10
<b>2025</b>			
January	306,400	0.08	0.23
February	177,525	0.05	0.13
March	147,845	0.04	0.11
April	193,587	0.05	0.15
May	484,229	0.13	0.37
June ( <i>Note 1</i> )	272,426	0.07	0.21

*Source: The Stock Exchange and Bloomberg*

*Note:*

(1) Up to the Latest Practicable Date

As shown in the table above, we are of the view that the liquidity of the Shares was generally low with the average daily trading volumes ranging between 0.01% and 0.13% of the total issued shares of the Company while the average daily trading volumes ranging between 0.02% and 0.37% of the total number of Disinterested Scheme Shares during the period from 1 January 2024 to the Latest Practicable Date.

Over the period of 360 trading days reviewed since 1 January 2024, daily trading volumes only exceeded 1% of the total number of Disinterested Scheme Shares in only 6 trading days were above 1%. Therefore, it is our view that the Shares cannot be regarded as having been actively traded, whilst the Proposal provides an exit opportunity for the Scheme Shareholders (especially those with relatively sizeable shareholdings) who would like to realise their investments in the Shares at a fixed cash price without disturbing the market price.

## ***7.2 Analysis on comparable companies***

As discussed in the section headed “3.2 Financial Information of the Group”, the Group’s revenue from sale of luxury goods (including watches and jewellery, cosmetics and beauty products and fashion and accessories), accounted for more than 90% of its revenue in FY2025.

Therefore, in order to assess the fairness and reasonableness of the Cancellation Price, we have attempted to identify the appropriate comparable companies (the “Comparable Companies”) which are principally engaged in businesses similar to the Group, namely those engaged in the retail sale of watches and jewellery, cosmetics and beauty products and fashion and accessories. Given that the Group conducts its retail businesses in the form of operating department stores, we have also included the operator of department stores in our analysis below.

In addition, we have also taken into consideration that the Group derived approximately 63.0% of its revenue from sales in Hong Kong in FY2025 and its scale. Accordingly, in order to provide an extended assessment that covers each major product segments of the Company, we have selected the Comparable Companies, comprising eight companies that (i) are principally engaged in sale of watches and jewellery, cosmetics and beauty products, fashion and accessories, and which operate department stores; (ii) derived more than 50% of the retail revenue from Hong Kong; (iii) had market capitalisation of below HK\$4,000 million as at the Last Trading Day; and (iv) recorded minimum revenue of HK\$100 million in the latest financial year or trailing twelve months (based on published interim reports and annual reports. In respect of (iii) and (iv), we have set the relevant thresholds with a view to providing reasonably sufficient samples overall and to at least identify one company that is engaged in the retail of each product category offered by the Group for a comprehensive comparison. We consider that the Comparable Companies, despite their products being different, share similar industry risks as they are all subject to the influence of the retail market sentiment in Hong Kong and therefore it is appropriate to be put into one analysis.

The Comparable Companies have been selected exhaustively based on the above criteria, with reasonably sufficient samples for comparison purposes identified, to the best of our endeavors, in our research through the public information.

## PART VI LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Although we consider all the Comparable Companies to be engaged in retail related business, to facilitate understanding of the general business nature or product focus of each of the Comparable Companies, we have classified the Comparable Companies into four categories, namely (i) companies principally engaged in the retail of watches and jewellery (“Watches and Jewellery Company”); (ii) companies principally engaged in the retail of cosmetics and beauty products (“Cosmetic and Beauty Product Company”); (iii) companies principally engaged in the retail of fashion and accessories (“Fashion and Accessories Company”); and (iv) companies principally engaged in the operation of department stores (“Department Stores Operator”).

In our assessment, we have considered the price-to-sales ratio (the “PSR”), the price-to-earnings ratio (the “PER”) and the price-to-book ratio (the “PBR”) which are commonly used as benchmarks in valuing businesses. For reference purpose, in addition to set out the average, adjusted average and median of all the Comparable Companies on an overall basis, we have also set out the average and median for each category of the Comparable Companies.

### Comparable Companies listed on the Main Board of the Stock Exchange

Company	Stock code	Major store brand(s)	Market capitalisation on the Last Trading Day (HK\$ million)	Revenue (HK\$ million)	PSR (times)	PER (times)	PBR (times)
<b>Watches and Jewellery Company</b>							
King Fook Holdings Limited (Note 2a)	280	Masterpiece, King Fook	318.3	799.0	0.40	4.05	0.41
Emperor Watch & Jewellery Limited (Note 1)	887	Emperor Jewellery	1,502.1	5,230.3	0.29	5.85	0.29
				Average	0.35	4.95	0.35
				Median	0.35	4.95	0.35
<b>Cosmetics and Beauty Products Company</b>							
Sa Sa International Holdings Limited (Note 2b)	178	Sa Sa	1,830.9	3,941.7	0.46	23.79	1.58
Veeko International Holdings Limited (Note 2a) (Note 3)	1173	Veeko, Wanko, Colourmix, Morimor	63.0	544.3	0.12	Loss-making	0.40
				Average	0.29	23.79	0.99
				Median	0.29	23.79	0.99

## PART VI LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company	Stock code	Major store brand(s)	Market capitalisation on the Last Trading Day (HK\$ million)	Revenue (HK\$ million)	PSR (times)	PER (times)	PBR (times)
<b><u>Fashion and Accessories Company</u></b>							
Bauhaus International (Holdings) Limited (Note 2a)	483	Bauhaus, Salad, Tough	60.6	188.7	0.32	Loss-making	0.38
				Average	0.32	N/A	0.38
				Median	0.32	N/A	0.38
<b><u>Department Stores Operator</u></b>							
The Sincere Company, Limited (“Sincere Company”) (Note 1)	244	Sincere Department Store	304.8	131.3	2.32	Loss-making	6.54 (Note 4)
Henderson Investment Limited (Note 1)	97	Citistore, UNY, Apita	362.6	1,535.0	0.24	Loss-making	0.34
Wing On Company International Limited (Note 1)	289	Wing On	3,274.7	946.2	3.46 (Note 4)	Loss-making	0.19
				Average	2.01	N/A	2.36
				Median	2.32	N/A	0.34
<b>Overall</b>				<b>Maximum</b>	<b>3.46</b>	<b>23.79</b>	<b>6.54</b>
				<b>Minimum</b>	<b>0.12</b>	<b>4.05</b>	<b>0.19</b>
				<b>Median</b>	<b>0.36</b>	<b>5.85</b>	<b>0.39</b>
				<b>Average</b>	<b>0.95</b>	<b>11.23</b>	<b>1.27</b>
				<b>Adjusted average (Note 4)</b>	<b>0.59</b>	<b>N/A</b>	<b>0.51</b>
<b>The Company/the Cancellation Price</b>				<b>2,779.6 (Note 5)</b>	<b>1,921.8</b>	<b>1.45 (Note 6)</b>	<b>14.0 (Note 6)</b>
							<b>0.79 (Note 6)</b>

Source: Bloomberg, the Stock Exchange, interim reports, annual reports and annual results announcements of the companies

Notes:

- (1) The financial year end of the company is on 31 December, PSR, PER and PBR of the company is calculated by dividing its market capitalisation on the Last Trading Day by the revenue, net profit and equity attributable to shareholders respectively as disclosed in its annual report for the financial year ended 31 December 2024.

- (2) (a) The financial year end of the company is on 31 March and its annual result for FY2025 has not been released yet prior to the Latest Practicable Date. PSR and PER of the company is calculated by dividing its market capitalisation on the Last Trading Day by the revenue and net profit attributable to shareholders respectively for the trailing twelve months ended 30 September 2024 as derived based on its interim report for the six months ended 30 September 2024 and annual report for FY2024. PBR of the company is calculated by dividing its market capitalisation on the Last Trading Day by equity attributable to shareholders as disclosed in its interim report for the six months ended 30 September 2024.
- (b) The financial year end of the company is on 31 March. PSR, PER and PBR of the company is calculated by dividing its market capitalisation on the Last Trading Day by the revenue, net profit and equity attributable to shareholders as disclosed in its annual results announcement for FY2025.
- (3) Veeko International Holdings Limited is engaged in the retail of both (i) cosmetics and beauty products; and (ii) fashion and accessories. Since the revenue contribution by its cosmetics and beauty products segment was higher, we have categorised it as a retailer of cosmetics and beauty products accordingly.
- (4) The outliers (i.e. being the highest values in the PSR and the PBR, which are more than 2 standard deviations above the average) are excluded in deriving the adjusted average for an additional analysis since they appear to be abnormal and may skew the average substantially and impact its meaningfulness. In particular, it has come to our attention that the PBR of Sincere Company of 6.54 times significantly exceeds the PBRs of other companies due to its thin asset base relative to its accumulated loss and has substantially driven up its PBR. However, we did not exclude the lowest values given that the lowest values are all within 2 standard deviations from the average.
- (5) Market capitalisation of the Company is calculated based on the Cancellation Price per Scheme Share of HK\$7.20, multiplied by 386,059,308 Shares.
- (6) Based on the 2025 Annual Results Announcement.

The PSR implied by the Cancellation Price is 1.45 times, which is above the median and average PSR of each of the four categories of the Comparable Companies, except for the Department Stores Operator category.

The PER implied by the Cancellation Price is 14.0 times, which is above the median and average PER of each of the four categories of the Comparable Companies, except for the Cosmetic and Beauty Products Company category.

The PBR implied by the Cancellation Price is 0.79 times, which is above the median and average PBR of the Watches and Jewellery Company and the Fashion and Accessories Company categories.

We note that (i) the PSR implied by the Cancellation Price is below the average and median PSR of the Department Stores Operator category; (ii) the PER implied by the Cancellation Price is below the average and median of the Cosmetic and Beauty Products Company category; and (iii) the PBR implied by the Cancellation Price is below the average and median of the Cosmetic and Beauty Products Company category and the average of the Department Stores Operator category. Generally, these situations that occur in each category are caused by a lack of sufficient samples (e.g. just one company) on a standalone basis or distortion caused by outliers (e.g. the PBR of Sincere Company of 6.54 times). Due to such issues, analysis on each category on a standalone basis may not be as meaningful, especially for those categories with majority of Comparable Companies that are in loss-making position.



In order to address the aforesaid issues and provide a more meaningful assessment, we have specifically looked at the overall median, average and adjusted average of the PSR, PER and PBR of all the Comparable Companies, and compare those against the PSR, PER and PBR implied by the Cancellation Price.

	<b>PSR</b> <i>(times)</i>	<b>PER</b> <i>(times)</i>	<b>PBR</b> <i>(times)</i>
The Comparable Companies (overall)			
Median	0.36	5.85	0.39
Average	0.95	11.23	1.27
Adjusted average	0.59	N/A	0.51
The Company/the Cancellation Price	<b>1.45</b>	<b>14.0</b>	<b>0.79</b>

Despite the PBR implied by the Cancellation Price is below the average PBR of all the Comparable Companies, which is basically driven up by the PBR of Sincere Company of 6.54 times, it is observed that the PSR and PBR implied by the Cancellation Price are still above the median and adjusted average of the PSR and PBR of all the Comparable Companies in overall. Given majority of the Comparable Companies are in loss-making position and there are insufficient data to calculate the adjusted PER even for all the Comparable Companies, we have compared the PER implied by the Cancellation Price of 14.0 times to the overall average PER of 11.23 times and considered it as still fair and reasonable.

In light of the above, we consider that the Cancellation Price is fair and reasonable based on our analysis on the Comparable Companies.

### **7.3 Analysis on precedent transactions**

We have also compared the Proposal to successful privatisation proposals (the “Privatisation Precedents”) of companies listed on the Main Board of Stock Exchange by way of scheme of arrangement with scheme documents despatched since 30 April 2024 (being approximately one calendar year prior to the Announcement Date) up to the Latest Practicable Date, which represents an exhaustive list of the Privatisation Precedents we were able to identify in connection with companies previously listed on the Stock Exchange. Given (i) the change in market and regulatory conditions may impact the cancellation price in a privatisation proposal thus the privatisation transactions which were not occur recently may not be as relevant; and (ii) we consider there are sufficient samples from 30 April 2024 to the Latest Practicable Date, we consider it as appropriate to review the Privatisation Precedents from 30 April 2024 to the Latest Practicable Date as opposed to the Review Period of 10 years. Set out below are the Privatisation Precedents.

## The Privatisation Precedents

Date of scheme document	Company name	Principal business	Stock code	Premium/(discount) represented by cancellation price over/(to) the share price on/average share price for					Premium/ (discount) represented by cancellation price over/to NAV
				Last full	Last 5	Last 10	Last 30	Last 60	
				trading	trading	trading	trading	trading	
				day (Note 1)	days (Note 1)	days (Note 1)	days (Note 1)	days (Note 1)	
24 May 2024	SciClone Pharmaceuticals (Holdings) Limited	Developing and commercializing a portfolio of marketed products as well as pipeline with potential	6600	33.90%	36.03%	36.30%*	47.47%	47.93%	228.35%
28 June 2024	Kin Yat Holdings Limited	(i) Development and production of electrical and electronic products as well as a provider of electric motor drives and related products under its own house brand; and (ii) real estate development businesses	638	33.30%	43.40%	47.30%*	51.50%	53.60%	-63.10%
19 July 2024	Huafa Property Services Group Company Limited ("Huafa Property Services")	Property management services, hotel advisory and exhibition services	982	30.63%	36.79%	40.10%	70.59%	82.40%*	970.11% (Note 2)
29 July 2024	A8 New Media Group Limited	(i) Cultural business which mainly includes online literature and film and television production; and (ii) property investment	800	162.77% (Note 2)	158.99% (Note 2)	168.66% (Note 2)	185.71% (Note 2)	185.70%*	-41.37%
29 August 2024	Asia Standard Hotel Group Limited	(i) Holding and operating hotels in Hong Kong; and (ii) property development in Canada	292	52.78%	48.60%*	41.03%	57.14%	71.90%*	-98.25% (Note 2)
04 October 2024	Samson Holding Ltd.	Manufacturing and sale of furniture, trading of furniture and procurement services	531	77.78%	86.77%	105.39%	150.09%	186.74% (Note 2)	-40.28%
19 November 2024	CM Hi-Tech Cleanroom Limited	Provision of cleanroom wall and ceiling systems and cleanroom equipment primarily in the PRC, Malaysia and Philippines	2115	25.00%	23.80%	26.90%	30.20%	39.70%	-4.80%

Date of scheme document	Company name	Principal business	Stock code	Premium/(discount) represented by cancellation price over/(to) the share price on/average share price for					Premium/ (discount) represented by cancellation price over/to NAV
				Last full	Last 5	Last 10	Last 30	Last 60	
				trading	trading	trading	trading	trading	
				day	days	days	days	days	
				(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	
16 December 2024	Beijing Capital Grand Limited	Commercial property development and management, with a focus on the development, operation and management of outlets-backed commercial integrated projects and non-outlets retail property projects in the PRC	1329	46.55%	54.55%	55.11%	41.75%	47.85%	-52.87%
20 December 2024	Doyen International Holdings Limited	(i) Investment property holding in the PRC; (ii) provision of financing to customers in the PRC and Hong Kong; (iii) investment holding; (iv) sales of flowers and plants; and (v) distressed assets management	668	78.57%	81.35%	82.29%	81.35%	86.17%	-39.55%
23 January 2025	Ronshine Service Holding Co., Ltd	Provision of (i) property management services; (ii) value-added services to non-property owners; and (iii) community value-added services	2207	15.38%	9.09%	1.69%	-6.25%	2.10%*	-53.49%
05 February 2025	Pentamaster International Limited	(i) Designing, development and manufacturing of standard and non-standard automated test equipment; (ii) designing, development and installation of integrated factory automation solutions; and (iii) manufacturing and assembling of medical machines and manufacturing of die casting parts	1665	25.00%	49.30%*	53.60%	52.70%	50.20%	39.60%
10 February 2025	Fosun Tourism Group	Provision of tourism and leisure solutions including tourism and hotel operation and other related service, property sales and construction service	1992	95.00%	112.07%	112.70%*	111.19%	110.30%	247.63%
10 February 2025	Get Nice Financial Group Limited	Provision of financial services in Hong Kong	1469	39.50%	40.91%	40.38%	41.62%	51.19%*	-42.63%

# PART VI LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Date of scheme document	Company name	Principal business	Stock code	Premium/(discount) represented by cancellation price over/(to) the share price on/average share price for					Premium/ (discount) represented by cancellation price over/to NAV
				Last full	Last 5	Last 10	Last 30	Last 60	
				trading	trading	trading	trading	trading	
				day	days	days	days	days	
				(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	
31 March 2025	Vesync Co., Ltd	Design, development and sales of small home appliances	2148	33.33%	34.36%	37.32%	44.37%	36.09%	122.25%
17 April 2025	Canvest Environmental Protection Group Company Limited	Operation and management of waste-to-energy plants, provision of environmental hygiene and related services and integrated smart city management services	1381	11.62%	12.59%	13.03%	16.90%	19.77%	21.29%
22 May 2025	ESR Group Limited	(i) development, construction and sale of completed properties; (ii) the management of the underlying assets on behalf of its capital partners via the funds and investment vehicles it managed; and (iii) the investment in completed properties, co-investment in the funds and investment vehicles and the public real estate investment trusts it managed, and other investments.	1821	13.60%	16.50%	17.14%	17.80%	11.10%	10.10%
Maximum:				162.77%	158.99%	168.66%	185.71%	186.74%	970.11%
Minimum:				11.62%	9.09%	1.69%	-6.25%	2.10%	-98.25%
Average:				48.42%	52.82%	54.93%	62.13%	67.67%	75.19%
									(Note 3)
Adjusted average:				40.80%	45.74%	47.35%	53.89%	59.73%	15.53%
(Note 2)									
Median:				33.62%	42.16%	40.71%	49.49%	50.70%	-22.18%
The Cancellation Price				50.63%	51.58%	52.22%	49.69%	48.45%	-20.53%

Source: Bloomberg and The Stock Exchange

*Notes:*

- (1) Based on the disclosure made in the respective scheme documents of the companies.
  - (2) The adjusted average is calculated after excluding the highest percentage in the sample. The highest percentages are excluded in deriving the adjusted average to provide an additional, not replacement, analysis to illustrate what would happen to the average if the highest percentages are taken out. It should be noted that the highest percentages (maximum values) have all exceeded the average by two standard deviations and also at least 100% higher than the average percentages. However, we did not exclude the lowest percentages given that the lowest percentages (minimum values) are all within 2 standard deviations from the average.
  - (3) The average of all premium and discount cases may not be an appropriate benchmark or indicator, especially when the premium represented by the cancellation price in the privatisation of Huafa Property Services was 970.1%, which appears to be abnormally high and may skew the average substantially and impact its meaningfulness. To assess whether such premium is normal, we have also looked at the scheme document in relation to the privatisation of Huafa Property Services, and noted that its comparable companies were trading at PBR from 0.3 to 2.1 times, which were equivalent to a discount of approximately 70% to a premium of approximately 110% to NAV. Therefore, such premium of 970.11% is abnormal not only when comparing to the Privatisation Precedents, but also abnormal in the relevant industry in which Huafa Property Services belongs.
- \* The numbers are not disclosed in the respective scheme documents, thus are calculated based on the closing prices quoted on the Stock Exchange of the respective Privatisation Precedents for illustrative purpose.

As illustrated above, the premium represented by the Cancellation Price over the Last Trading Day is higher than the average, median and the adjusted average, and falls within the range of the premiums or discounts of cancellation prices for the Privatisation Precedents.

In addition, the premiums represented by the Cancellation Price (i) fall within the range of the premiums of offer/cancellation prices for the Privatisation Precedents over last 5 days, 10 days, 30 days and 60 days; (ii) are higher than the adjusted average or median of the premiums of offer/cancellation prices for the Privatisation Precedents over last 5 and 10 days and the median of the premiums/discount of offer/cancellation prices for the Privatisation Precedents over last 30 days; and (iii) are lower than the adjusted average of the premiums of offer/cancellation prices for the Privatisation Precedents over last 30 days and 60 days and the median of the premiums of offer/cancellation prices for the Privatisation Precedents over last 60 days.

Regarding the discount represented by the Cancellation Price to the NAV, it falls within the range of the premiums/discounts represented by the offer/cancellation prices for the Privatisation Precedents, which widely ranged from a discount of 98.25% to a premium of 970.11% owing to the difference in their business natures.

To provide a further assessment, out of the 16 Privatisation Precedents, (i) 7 cases had offer/cancellation prices that represent premiums over their respective NAV per share and 9 cases had offer/cancellation prices represent discounts to their respective NAV per share, illustrating offer/cancellation prices pitched at discounts to NAV per share are not uncommon in privatisation transactions; and (ii) out of the 9 Privatisation Precedents which offer/cancellation prices were at a discount to their respective NAV per share, only one precedent had a discount that is lower than the discount represented by the Cancellation Price to the NAV in the Proposal.

Reference should also be made to our previous analysis. As illustrated in the section headed “6. Reasons for and benefits of the Proposal” above, the PBR of the Company has consistently remained below 1 for the past 10 years, which implies that the investors might not

have valued the Shares based solely on the value of the Company's net assets and the Shareholders may not be able to realise their investments in the Shares through an on-market transaction at a price equal to or similar to the NAV per Share. In addition, as discussed under section headed "7.2 Analysis on comparable companies" above, the adjusted average and median PBRs of the Comparable Companies were approximately 0.51 times and 0.39 times respectively, which were lower than the implied PBR of the Company as calculated based on the Cancellation Price and NAV attributable to Shareholders of approximately 0.79 times, implying that the discount to the NAV represented by the Cancellation Price generally is not as deep as its peers. Furthermore, 6 out of 8 also recorded PBR of below 1. It appears common for the shares of companies operating in the same industry as the Group to be traded at discount to their NAV.

Based on the above analysis on the Privatisation Precedents, we are of the view that the Cancellation Price is fair and reasonable as far as the Disinterested Shareholders are concerned.

### **RECOMMENDATION**

Having considered the above principal factors and reasons as summarized below, we consider that the terms of the Proposal and the Scheme are fair and reasonable as far as the Disinterested Shareholders are concerned:

- (a) the Company's financial performance has remained under pressure and the weak retail consumer sentiment is having a significant adverse impact on the retail market in Hong Kong;
- (b) in light of the macroeconomic uncertainties including the changed retail landscape and consumer behavior, the Group must identify new angles with an aim to rely less on multi-brand retailing where the Company has little control over margins, the Company's transformation will involve execution risk and the associated benefits will require a longer time to realise;
- (c) the Scheme provides an opportunity for the Scheme Shareholders to monetize their Shares at a premium over the recent market price of the Company;
- (d) the Scheme provides an exit opportunity for the Scheme Shareholders (especially those with relatively sizeable shareholdings) who would like to realise their investments in the Shares at a fixed cash price;
- (e) the Cancellation Price is fair and reasonable in comparison to the Comparable Companies; and
- (f) the Cancellation Price is fair and reasonable in comparison to the Privatisation Precedents.

Accordingly, we advise the Independent Board Committee to recommend the Disinterested Shareholders to vote in favour of the relevant resolutions(s) to be proposed at the Court Meeting and the SGM to approve and implement the Scheme.

Yours faithfully,  
For and on behalf of

**Platinum Securities Company Limited**

**Liu Chee Ming**  
*Managing Director*

**Fion Chau**  
*Director*

*Mr. Liu Chee Ming and Ms. Fion Chau are licensed persons registered with the Securities and Futures Commission and as responsible officers of Platinum Securities Company Limited to carry out Type 6 (advising on corporate finance) regulated activities under the SFO. Mr. Liu Chee Ming and Ms. Fion Chau have over thirty years and fifteen years of experience in the corporate finance industry, respectively.*

*This Explanatory Memorandum constitutes the statement required under Section 100 of the Companies Act.*

## **1. INTRODUCTION**

On 23 April 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of a scheme of arrangement under section 99 of the Companies Act. The Scheme will involve the cancellation of the Scheme Shares and, in consideration, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share cancelled and the withdrawal of listing of the Shares on the Stock Exchange.

If the Scheme is approved and becomes effective and is implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will, on the Effective Date, be cancelled in exchange for the payment of the Cancellation Price of HK\$7.20 per Scheme Share to each Scheme Shareholder by the Offeror;
- (b) contemporaneously with the cancellation of the Scheme Shares, the share capital of the Company will be maintained at the amount immediately prior to the cancellation of the Scheme Shares by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of new Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Company's books of account as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror; and
- (c) subject to the obtaining of the approval from the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange pursuant to Rule 6.15(2) of the Listing Rules, the listing of the Shares will be withdrawn subject to and after the Scheme becomes effective.

The purpose of this Explanatory Memorandum is to set out the terms and effects of the Proposal (in particular the Scheme) and to provide the Scheme Shareholders with further information in relation to the Proposal.

Particular attention is drawn to (i) the letter from the Independent Board Committee set out in Part V of this Scheme Document; (ii) the letter from the Independent Financial Adviser set out in Part VI of this Scheme Document; (iii) this Explanatory Memorandum; and (iv) the terms of the Scheme set out in Appendix III of this Scheme Document.



## 2. TERMS OF THE PROPOSAL

### The Scheme

Subject to the satisfaction or waiver (where applicable) of the Conditions and the Scheme becoming effective, all Scheme Shares will be cancelled and the Scheme Shareholders will be entitled to receive from the Offeror:

For every Scheme Share cancelled . . . . . HK\$7.20 in cash

As at the Latest Practicable Date, the Company has no declared but unpaid dividends and/or distribution and/or other return capital and the Company does not intend to announce, declare and/or pay any dividend, distribution or other return of capital before the Effective Date or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be). If, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in the Announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

**The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.**

### Comparison of Value

The Cancellation Price of HK\$7.20 per Scheme Share in cash represents:

- (a) a premium of approximately 4.96% over the closing price of HK\$6.86 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (b) a premium of approximately 50.63% over the closing price of HK\$4.78 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a premium of approximately 51.58% over the average closing price of HK\$4.75 per Share as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- (d) a premium of approximately 52.22% over the average closing price of HK\$4.73 per Share as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;

- (e) a premium of approximately 49.69% over the average closing price of HK\$4.81 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (f) a premium of approximately 48.45% over the average closing price of HK\$4.85 per Share as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (g) a premium of approximately 48.76% over the average closing price of HK\$4.84 per Share as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- (h) a premium of approximately 63.64% over the average closing price of HK\$4.40 per Share as quoted on the Stock Exchange for the three calendar years up to and including the Last Trading Day;
- (i) a discount of approximately 20.44% to the unaudited consolidated net asset value attributable to Shareholders per Share (based on the total number of Shares as at 30 September 2024) of approximately HK\$9.05 as at 30 September 2024; and
- (j) a discount of approximately 21.31% to the audited consolidated net asset value attributable to Shareholders per Share (based on the total number of Shares as at 31 March 2025) of approximately HK\$9.15 as at 31 March 2025.

The Cancellation Price has been determined after taking into account the market valuations (i.e. price-to-earnings ratio and price-to-book ratio) of Hong Kong listed companies comparable to the business of the Group, the outlook of the Company, trading prices of the Shares on the Stock Exchange, and other recent privatisation transactions in Hong Kong including any pricing premiums. The comparables, which are principally engaged in watches and jewellery business in Hong Kong with market capitalization not more than HK\$4,000 million, had price-to-earnings ratios of 4.05 – 5.85 times and price-to-book ratios of 0.29 – 0.41 times as compared to those of the Company as valued by the Cancellation Price of 14.0 times and 0.79 times, respectively. The average pricing premiums over the prevailing prices of the Hong Kong privatization transactions in the past years, having adjusted to exclude outliers, ranged from 40.80% to 59.73% over various period in the last 60 trading days.

### **Highest and Lowest Prices**

During the six-month period immediately up to and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$5.05 on 13 December 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$4.30 on 22 November 2024.

**Financial Resources**

The Offeror has appointed Somerley Capital as its financial adviser in connection with the Proposal.

Assuming that there are no changes in the issued share capital of the Company from the Announcement Date up to and including the Scheme Record Date, the Proposal will involve the cancellation of 152,577,882 Scheme Shares in exchange for the Cancellation Price of HK\$7.20 per Scheme Share, and the maximum cash consideration payable by the Offeror under the Proposal is approximately HK\$1,098,560,751.

The Offeror proposes to finance the cash consideration required under the Proposal by internal resources.

Somerley Capital, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum amount of cash consideration payable under the Proposal.

**3. CONDITIONS OF THE PROPOSAL**

The implementation of the Proposal is, and the Scheme will only become effective and binding on the Company and all Scheme Shareholders, subject to the satisfaction or waiver (where applicable) of the following Conditions:

- (a) the approval of the Scheme (by way of poll) at the Court Meeting by a majority in number of the Scheme Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) by not less than three-fourths of the votes attaching to the Disinterested Scheme Shares that are voted either in person or by proxy at the Court Meeting, provided that the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme is not more than 10% of the votes attaching to all the Disinterested Scheme Shares;
- (c) the passing by the Shareholders at the SGM of a special resolution to approve any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares and to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares (credited as fully paid) as is equal to the number of Scheme Shares cancelled and applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such new Shares;

- (d) the sanction of the Scheme (with or without modification) by the Court and the delivery to the Registrar of Companies in Bermuda of a copy of the order of the Court for registration;
- (e) compliance, to the extent necessary, with the applicable procedural requirements and conditions of Section 46 of the Companies Act in relation to any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares;
- (f) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or the Scheme void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations in connection with the Proposal or the Scheme), other than such actions, proceedings, suits, investigations or enquiries as would not have material adverse effect on the legal ability of the Offeror to proceed with the Proposal or the Scheme;
- (g) all Applicable Laws having been complied with and no legal, regulatory or administrative requirement having been imposed by any Authority in any jurisdiction which is not expressly provided for, or is in addition to the legal, regulatory or administrative requirements expressly provided for, in the Applicable Laws in connection with the Proposal or the Scheme, in each case up to and as at the Effective Date;
- (h) since the Announcement Date, there having been no material adverse change to the business, assets, financial or trading position or the prospects or conditions (whether operational, legal or otherwise) of the Group (to an extent which is material in the context of the Company and its subsidiaries taken as a whole or in the context of the Proposal); and
- (i) all Approvals which are required in connection with the Proposal having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification or variation.

The Conditions in paragraphs (a) to (e) (inclusive) cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraph (f) to (i) (inclusive), to the extent permissible by Applicable Laws, the Listing Rules and the Takeovers Code, either in whole or in part, either generally or in respect of any particular matter.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Proposal if the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal. The Company has no right to waive any of the Conditions.

All of the above Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse. As at the Latest Practicable Date, none of the Conditions have been satisfied or (if applicable) waived.

In respect of Condition (i), as at the Latest Practicable Date, other than the Conditions (a) to (e) (inclusive) as set out above and the approval by the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange, the Offeror is not aware of any necessary authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals required for the Proposal.

**WARNINGS: Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being satisfied or waived (where applicable). Accordingly, the Proposal may or may not be implemented and the Scheme may or may not be effective. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

#### 4. SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$155,400,000 divided into 518,000,000 Shares, and the Company has 386,059,308 Shares in issue. Save as disclosed above, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

The table below sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately upon completion of the Proposal, assuming that there is no other change in shareholding of the Company before the Scheme Record Date:

Shareholders	As at the Latest Practicable Date		Immediately upon the completion of the Proposal	
	Number of Shares	Approximate percentage of total issued share capital (%)	Number of Shares	Approximate percentage of total issued share capital (%)
<b>Offeror and Offeror Concert Parties</b>				
Offeror	–	–	152,577,882	39.52
DIHPTC, Paicolex BVI and Paicolex				
AG (Note 1)	233,464,065	60.47	233,464,065	60.47
Sir Dickson Poon (Note 1)	17,361	0.01	17,361	0.01
Pearson Poon (Note 1)	83,000	0.02	–	–
<i>Other close relatives of Sir Dickson Poon</i>				
(Note 2)				
Sheila Poon (Note 2a)	4,202,380	1.09	–	–
Poon, Penny (Note 2b)	5,478,753	1.42	–	–
Poon, Kam Wai May (Note 2c)	5,053,397	1.31	–	–
King Wing Keung Walter (Note 2d)	500	0.00	–	–
Poon, Kam Yin Yvonne (Note 2e)	2,125,937	0.55	–	–
Boey John Hoong (also known as Mei Jan				
Hoong) (Note 2f)	208,253	0.05	–	–
Boey Mark Frederick (Note 2g)	21,000	0.01	–	–
Kingray Finance Co. Ltd. (Note 2h)	3,242,107	0.84	–	–
Poon Dee Chu Ying (Note 2i)	12,033	0.00	–	–
Poon Tak Wing Daryl May (Note 2j)	18,000	0.01	–	–
<i>Sub-total of other close relatives of Sir</i>				
<i>Dickson Poon</i>	20,362,360	5.27	–	–
DCL (Note 3)	471	0.00	–	–
<b>Sub-total of Offeror and Offeror Concert</b>				
<b>Parties</b>	<b>253,927,257</b>	<b>65.77</b>	<b>386,059,308</b>	<b>100</b>
<b>Disinterested Shareholders</b>				
Disinterested Shareholders	132,132,051	34.23	–	–
<b>Total number of Scheme Shares (Note 4)</b>	<b>152,577,882</b>	<b>39.52</b>	<b>–</b>	<b>–</b>
<b>Total number of Shares</b>	<b>386,059,308</b>	<b>100</b>	<b>386,059,308</b>	<b>100</b>

*Notes:*

- (1) As at the Latest Practicable Date, DIHPTC, Paicolex BVI and Paicolex AG are trustees of the Trusts, with DIHPTC interested in 233,464,065 Shares. DIHPTC is the sole shareholder of the Offeror. The founder of the Trusts is Sir Dickson Poon and Pearson Poon (the son of Sir Dickson Poon) is among the eligible beneficiaries of the Trusts. In addition, Sir Dickson Poon and Pearson Poon hold 17,361 Shares and 83,000 Shares, respectively.
- (2) Represents the Shares held by the close relatives of Sir Dickson Poon: (a) Sheila Poon, the mother of Sir Dickson Poon; (b) Poon, Penny, the sister of Sir Dickson Poon, and her controlled companies (namely Super Fortune Ventures Ltd., Twin Profit Holdings Ltd. and Super Eighty Eight Ventures Ltd.); (c) Poon, Kam Wai May, the sister of Sir Dickson Poon, and her controlled company (namely Jumbo Joy Enterprises Ltd.); (d) King Wing Keung Walter, the spouse of Poon, Kam Wai May; (e) Poon, Kam Yin Yvonne, the sister of Sir Dickson Poon, and her controlled company (namely Produce Return Ltd.); (f) Boey John Hoong (also known as Mei Jan Hoong), the spouse of Poon, Kam Yin Yvonne; (g) Boey Mark Frederick, the son of Poon, Kam Yin Yvonne; (h) Kingray Finance Co. Ltd., a company held among the sisters of Sir Dickson Poon, Sir Dickson Poon and their mother; (i) Poon Dee Chu Ying, the daughter of Sir Dickson Poon; and (j) Poon Tak Wing Daryl May, the daughter of Sir Dickson Poon. All of the above are presumed concert parties of the Offeror under the Takeovers Code.
- (3) These Shares represent fractional shares issued pursuant to scrip dividend schemes of the Company in previous years and are held by DCL, a wholly-owned subsidiary of the Company and a presumed concert party of the Offeror under the Takeovers Code, as nominee on behalf of the Company.
- (4) All Shares, other than those Shares held by Sir Dickson Poon, DIHPTC, Paicolex BVI and Paicolex AG, will form part of the Scheme Shares.
- (5) The percentages are subject to rounding adjustments. Percentage figures shown as sub-total or total may not be in arithmetic aggregation of the percentage figures preceding them.

## **5. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Pursuant to Rule 2.8 of the Takeovers Code, the Board has established the Independent Board Committee, comprising Mr. Bhanusak Asvaintra, Mr. Nicholas Peter Etches, Mr. Fung Yue Ming, Eugene Michael and Ms. Lam Sze Wan Patricia, each being an independent non-executive Director, to make a recommendation, after taking into account the advice and recommendation from the Independent Financial Adviser, to the Disinterested Shareholders as to (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) whether to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the SGM.

The Board, with the approval of the Independent Board Committee, has appointed Platinum Securities as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal and the Scheme pursuant to Rule 2.1 of the Takeovers Code.

The Independent Financial Adviser has advised the Independent Board Committee that it considers that the Proposal and the Scheme are fair and reasonable so far as the Disinterested Shareholders are concerned, and accordingly, it advises the Independent Board Committee to recommend to the Disinterested Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the SGM to approve and implement the Proposal and the Scheme.

The full text of the letter from the Independent Financial Adviser is set out in Part VI of this Scheme Document.

The Independent Board Committee, having been so advised, considers that the Proposal and the Scheme are fair and reasonable so far as the Disinterested Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Disinterested Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the SGM to approve and implement the Proposal and the Scheme.

The full text of the letter from the Independent Board Committee in relation to its recommendations with respect to the Proposal and the Scheme is set out in Part V of this Scheme Document.

## **6. REASONS FOR AND BENEFITS OF THE PROPOSAL**

*For the Company: a proposal to mitigate declining profits and facilitate flexibility in formulating new business and growth strategies which will require significant investments and result in likely initial losses to be incurred in those new businesses*

The Group's business model has delivered success in the past but the retail landscape has changed significantly in recent years. Leading luxury brands now own and operate their international network of retail shops directly while simultaneously reducing their network of wholesale partners to increase control over pricing and margins. This shift is especially disadvantageous for multi-brand retailers like Harvey Nichols in Hong Kong, where many luxury brands established their own stores in the same malls as Harvey Nichols. This limits their availability to Harvey Nichols which in turn reduces the overall appeal of Harvey Nichols' brands mix and offering. At the same time, post-pandemic shifts in consumer behavior have further impacted the Group's core business, with travelers prioritizing destinations offering the best value over shopping locally. Mainland China has also extended its instant tax refund policy for foreign visitors, from selected cities to nationwide thereby allowing all its cities to apply for offering instant tax refunds. Shops wishing to participate and offer instant tax refunds can do so by applying. With this benefit, leading luxury brands like Louis Vuitton, Dior, Moncler, etc., will all have products cheaper in Mainland China than in Hong Kong. All in all, these measures will make Hong Kong less attractive to foreign tourists and the narrowed price gaps between Mainland China and Hong Kong pre-tax rebate have also made shopping in Hong Kong less attractive to Chinese tourists.

Amid a challenging market environment coupled with rapidly changing retail landscape and shifting consumer spending behaviour, it is unrealistic to expect the Group to return to its historical growth trajectory in terms of sales and profitability. To pursue growth, the Group must identify new angles or strategic investments. Thus, the Company has initiated and continues to pursue acquiring and developing established or new fashion and accessories brands which it considers to have significant growth potential. It is also pursuing appropriate financial investments in various sectors unrelated to its current principal activities and scope of business either solely or with partners experienced in that sector. Such financial investments have focused on cash generative businesses in the non-life insurance, food processing and institutional health care industry.



These initiatives will inevitably require significant investments, reducing the company's cash position together with profit dilution. This will ultimately affect the Group's stable dividend history, as losses would be expected at the development stage for any new business initiatives. As at the Latest Practicable Date, the Company has further identified acquisition targets which, however, are at preliminary stages of discussion and no formal agreement has been reached.

The Proposal, if implemented, will allow the Company to focus on exploring and launching new business initiatives without the constraints of short-term profit and dividend expectations and share price volatility.

The Company's Share price has been consistently underperforming and trading liquidity is low. The closing Share price of the Company underperformed the Hang Seng Index on 3,580 out of 3,719 trading days in terms of percentage change starting from 2011 up to and including the Last Trading Day. The average daily trading volume for the same period ranged from 36,115 to 434,024 Shares representing only 0.01% to 0.11% of the total number of issued Shares as at the Last Trading Day. As a result, the Board considers that the Company's ability to raise capital through the equity capital markets is limited, and its listing status no longer provides a viable avenue for fundraising to support the Group's business development. Given that DIHPTC holds approximately 60.47% of the issued share capital of the Company and the Offeror has expressed its intention to retain its Shares as a long-term investment, it is unlikely that alternative proposals from third parties will emerge for the Shares held by the Scheme Shareholders.

**For the Offeror: Seeking to re-shape the Group's businesses under a private environment and offer the Scheme Shareholders an attractive cash premium to exit their investment**

Founded by Sir Dickson Poon in 1980, the Group has played a pioneering role in introducing leading international luxury brands and retail concepts covering a variety of product categories for consumers. Over the decades, the Group has achieved significant growth for the Shareholders and maintained a strong and stable dividend track record. However, with the global retail landscape undergoing fundamental changes, the Group no longer believes that its current business model can enable future growth as it once did. Such changes have resulted in a decline of 19.93% in the Group's turnover and a 43.55% reduction in net profits for the year ended 31 March 2025 compared to the previous year. As a result, Sir Dickson Poon, being the founder and Chairman of the Group, believes it is imperative to identify and develop new business formats. As mentioned above, the Company has initiated and continues to pursue acquiring and developing established or new fashion and accessories brands which it considers to have significant growth potential. It is also pursuing appropriate financial investments in various sectors unrelated to its current principal activities and scope of business either solely or with partners experienced in that sector. Such financial investments have focused on cash generative businesses in the non-life insurance, food processing and institutional health care industry. Any such transformation will require significant investments and likely incur material start-up losses. The Offeror considers these strategic shifts are best pursued under a private environment.

Given the current market conditions and the Group's belief that growth and profitability can only be achieved through investment in new initiatives, it is unrealistic to expect an increase in the Share price to a level close to or above the Cancellation Price in the foreseeable future. As such, the Offeror considers the Proposal, if implemented, will offer Scheme Shareholders an attractive cash premium to exit their investment and also enable the Group to have greater flexibility to make strategic investment decisions.

**For the Scheme Shareholders: an attractive opportunity to monetise their investment in the Company at a price with a compelling premium**

**(a) The Cancellation Price is higher than the market price over the last 10 years**

Sir Dickson Poon, the sole beneficial owner of DIHPTC, which owns the Offeror and which is also the controlling Shareholder, has demonstrated long-standing commitment and support to the Company, notably through his acquisition of Shares during 2012 to 2019. In parallel, the Company has carried out market Share buybacks since 2015, utilising its surplus cash to support both the Company's valuation and the Shareholders' investment interests.

The Offeror considers the Proposal offers Scheme Shareholders an attractive opportunity to realise in full their investment in the Company at a premium over the prevailing price of the Shares. The Cancellation Price is:

- (i) higher than the closing Share prices for more than 10 years; and
- (ii) represents premiums of 42.57% and 67.44% over the respective highest and lowest closing Share price during the six-month period immediately up to and including the Last Trading Day.

The Cancellation Price of HK\$7.20 per Share represents:

- (i) a premium of approximately 4.96% over the closing price of HK\$6.86 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 50.63% over the closing price of HK\$4.78 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (iii) a premium of approximately 52.22% over the average closing price of approximately HK\$4.73 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Date;
- (iv) a premium of approximately 49.69% over the average closing price of approximately HK\$4.81 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Date;

- (v) a premium of approximately 48.45% over the average closing price of approximately HK\$4.85 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Date; and
- (vi) a premium of approximately 63.64% over the average closing price of HK\$4.40 per Share as quoted on the Stock Exchange for the three calendar years up to and including the Last Trading Day.

Trading liquidity of the Shares has remained at a low level over an extended period of time. The average daily trading volume starting from 2011 up to and including the Last Trading Day ranged from 36,115 to 434,024 Shares, representing only 0.01% to 0.11% of the total number of issued Shares as at the Last Trading Day. This has limited the Company's ability to conduct effective on-market Share buybacks and made it difficult for Shareholders to exit their investments without negatively impacting the Share price. The Proposal provides the Scheme Shareholders with an opportunity to realize their holdings in full for cash, at an attractive premium.

**(b) The Share has been valued at discounts to NAV per Share consistently**

As previously noted, the ultimate beneficial owner of the Offeror has consistently demonstrated support for the Company through Share acquisitions, with 43,368,930 Shares acquired from 2012 to 2014 and 2016 to 2019, while the Company has undertaken Share buybacks using its surplus cash to enhance the Shareholders' value, with 35,930,828 Shares repurchased from 2015 to 2016, 2018 to 2019 and 2024 to 2025. The support brought by these Share acquisitions and Share buybacks to the Share price was limited and short-lived. The Shares closed 4.7% lower up to 7.0% higher on the immediate next day after such Share acquisitions and Share buybacks. Despite these efforts, the Shares have continued to trade at a substantial discount to the NAV per Share, ranging from 61.15% on 31 October 2022, 1 November 2022 and 10 November 2022 to 32.23% on 18 June 2024 in the past three years. The Proposal offers Scheme Shareholders an opportunity to monetise their investment at a narrower discount to NAV than what has been available in open market. The Cancellation Price represents a discount of 21.31% to the NAV per Share as at 31 March 2025.

**(c) Gloomy outlook for Hong Kong luxury retailing**

Hong Kong has historically been the Group's largest market, accounting for 70.2% of the Group's total revenue from luxury goods and concession and consignment sales for the year ended 31 March 2024. However, since the reopening of the borders, Hong Kong consumers have increasingly chosen to travel and spend abroad. At the same time, the rapid expansion of major luxury brands in Mainland China and the narrowing price gap between Mainland China and Hong Kong have led to shorter visits by Chinese tourists, who no longer treat shopping in Hong Kong as the priority they once did before the pandemic. In response, the Group made the strategic decision in 2023 to close its Harvey Nichols store at the Landmark and Beauty Bazaar store at The ONE, consolidating operations at Harvey Nichols Pacific Place to strengthen its core customer base.

The decline in local luxury spending became more pronounced in 2024. For the year ended 31 March 2025, Hong Kong's contribution to the Group's luxury goods sales and concession and consignment sales dropped to 63.04%, representing a decline of 29.00% compared to the previous year. Increasing numbers of Hong Kong consumers across all income levels are now travelling to cities such as Shenzhen, which offer better value, service, and variety for both entertainment and shopping. At the same time, both local and Mainland Chinese consumers have been fervently visiting and spending in Japan as prices for luxury goods, food and entertainment are cheaper.

Given the poor retail climate in Hong Kong and the need for the Group to invest in new ventures to achieve growth, the Proposal provides the Scheme Shareholders with an attractive opportunity to realize their investments in the Company.

## **7. THE OFFEROR'S INTENTIONS IN RELATION TO THE GROUP**

As at the Latest Practicable Date and save as those disclosed under the section headed "6. Reasons for and benefits of the Proposal" above, the Offeror intends for the Group to continue carrying on its existing businesses following the implementation of the Proposal and does not have any plan to make any material changes to (a) the existing business and operation of the Group; (b) the Group's material assets, including any disposal(s) thereof; and (c) the management and employees of the Group (other than those in the ordinary course of business of the Group). The Offeror will conduct a strategic review of the Group's assets, corporate structure, capitalisation, operations, properties, policies and management to determine if any changes would be appropriate and desirable following the implementation of the Proposal with a view to optimising the Group's activities and development, and may make any changes as the Offeror deems necessary, appropriate or beneficial for the Group in light of its review of the Group or any future development. The Offeror also intends for the Company to withdraw the listing of the Shares on the Stock Exchange upon the Scheme becoming effective.

## **8. INFORMATION ON THE COMPANY**

The Company was incorporated in Bermuda and its Shares are listed on the Main Board of the Stock Exchange (stock code: 0113). 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.

Your attention is also drawn to Appendix I headed "Financial Information of the Group" and Appendix II headed "General Information" of this Scheme Document.

## **9. INFORMATION ON THE OFFEROR**

The Offeror is a company incorporated in the British Virgin Islands with limited liability. As at the Latest Practicable Date, the Offeror is a wholly-owned subsidiary of DIHPTC, a trustee of the Trusts, which in turn is wholly-owned by Sir Dickson Poon. The principal business of the Offeror is investment holding. The sole director of the Offeror is Sir Dickson Poon.

**10. ACTIONS TO BE TAKEN**

The summary of actions to be taken by the Shareholders can be found in Part II of this Scheme Document headed “Actions to be Taken”.

**11. REQUIREMENTS UNDER COMPANIES ACT AND THE TAKEOVERS CODE****The Companies Act**

Pursuant to Section 99 of the Companies Act, where an arrangement is proposed between a company and its members or any class of them, the Court may, on the application of the company or any member of the company, order a meeting of the members of the company or class of members, as the case may be, to be summoned in such manner as the Court directs.

It is expressly provided in Section 99 of the Companies Act that if a majority in number representing three-fourths in value of the members or class of members, as the case may be, present and voting either in person or by proxy at the meeting or meetings, as the case may be, summoned as directed by the Court as aforesaid, agree to any arrangement, the arrangement shall, if sanctioned by the Court, be binding on all members or class of members, as the case may be, and also on the company.

**Additional Requirements as Imposed by Rule 2.10 of the Takeovers Code**

In addition to satisfying any requirements imposed by law as summarised above, Rule 2.10 of the Takeovers Code requires, except with the consent of the Executive, that the Scheme may only be implemented if:

- (a) the Scheme is approved by at least 75% of the votes attaching to the Disinterested Scheme Shares that are cast either in person or by proxy at the Court Meeting; and
- (b) the number of votes cast against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Disinterested Scheme Shares.

**12. COURT MEETING AND SGM**

In accordance with the directions of the Court, the Court Meeting will be held for the purpose of considering and, if thought fit, passing a resolution to approve the Scheme (with or without modifications). Save for the relevant Offeror Concert Parties who/which are Scheme Shareholders and have undertaken to the Court to abstain from voting in the Court Meeting, all Scheme Shareholders as at the Meeting Record Date will be entitled to attend and vote at the Court Meeting to approve the Scheme, provided that only the votes of the Disinterested Shareholders will be taken into account in determining whether Condition (b) under the section headed “3. Conditions of the Proposal” of this Explanatory Memorandum (as required under Rule 2.10 of the Takeovers Code) are satisfied. The Scheme will be subject to the approval by the Scheme Shareholders at the Court Meeting in the manner referred to in the section headed “3. Conditions of the Proposal” of this Explanatory Memorandum.

Only Scheme Shareholders whose Scheme Shares are registered in their own names in the register of members of the Company as at the Meeting Record Date may attend and vote, in person or by proxy, at the Court Meeting and be counted as members of the Company for the purpose of calculating whether or not a majority in number of members of the Company have approved the Scheme at the Court Meeting under section 99 of the Companies Act. In accordance with the directions from the Court, HKSCC Nominees Limited will be counted as one Scheme Shareholder and may vote for or against the Scheme according to the majority of voting instructions as represented by the Scheme Shares it receives. The number of votes cast in favour of the Scheme and the number of CCASS Participants on whose instructions they are cast and the number of votes cast against the Scheme and the number of CCASS Participants on whose instructions they are cast will be disclosed to the Court and may be taken into account by the Court in determining whether or not the Court should exercise its discretion to sanction the Scheme. Beneficial Owners who wish to individually vote or be counted for purposes of calculating whether or not a majority in number of members of the Company have approved the Scheme at the Court Meeting under section 99 of the Companies Act should make arrangements to become a Registered Owner of some or all of their Shares prior to the Meeting Record Date.

As at the Latest Practicable Date, the Offeror does not hold any Shares and the Offeror Concert Parties hold in aggregate 253,927,257 Shares (representing approximately 65.77% of the issued share capital of the Company). As the Offeror and the Offeror Concert Parties are not Disinterested Shareholders, each of the Offeror and the Offeror Concert Parties will not vote on the Scheme at the Court Meeting.

All Shareholders as at the Meeting Record Date will be entitled to attend the SGM and vote on the special resolution to approve any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares and to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares (credited as fully paid) as is equal to the number of Scheme Shares cancelled and applying the reserve created as a result of the cancellation of the Scheme Shares to pay up in full at par such number of new Shares.

Notice of the Court Meeting is set out in Appendix IV of this Scheme Document. The Court Meeting will be held at 11:00 a.m. on Friday, 18 July 2025 at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong.

Notice of the SGM is set out in Appendix V of this Scheme Document. The SGM will be held at 11:30 a.m. (or, if later, as soon thereafter as the Court Meeting shall have concluded or been adjourned) on Friday, 18 July 2025 at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong.

**Closure of the Register of Members of the Company**

For the purpose of determining the entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the Shareholders to attend and vote at the SGM, the register of members of the Company will be closed from Tuesday, 15 July 2025 to Friday, 18 July 2025 (both days inclusive) and during such period, no transfer of Shares will be effected. In order to qualify to vote at the Court Meeting and the SGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Monday, 14 July 2025. A subsequent purchaser of Shares will need to obtain a proxy form from the transferor if he or she wishes to attend or vote at the Court Meeting or the SGM.

**Binding Effect of the Scheme**

When all of the Conditions set out in the section headed "3. Conditions of the Proposal" of this Explanatory Memorandum are fulfilled or waived (as applicable), the Scheme will become effective and binding on the Offeror, the Company and all Scheme Shareholders regardless of how (or whether) they voted at the Court Meeting or SGM.

Each of the Offeror and relevant Offeror Concert Parties who/which is a Scheme Shareholder has undertaken to the Court that each of them will be bound by the Scheme and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable for the purpose of giving effect to the Scheme.

**13. WITHDRAWAL OF LISTING OF SHARES**

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules, with effect immediately from 4:00 p.m. on Monday, 11 August 2025 subject to the Scheme becoming effective.

The Scheme Shareholders will be notified by way of an announcement of the exact date of the last day for dealing in the Shares and on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective.



**14. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

If the Scheme is not approved or the Proposal otherwise lapses, an announcement will be made by the Offeror and the Company, and:

- (a) no Scheme Shares will be cancelled, the shareholding structure of the Company will not change as a result of the Proposal, and the Company will continue to have sufficient public float as required by the Listing Rules;
- (b) the listing of the Shares on the Stock Exchange will not be withdrawn; and
- (c) there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with the Offeror in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, (i) announce an offer or possible offer for the Company, or (ii) acquire any voting rights of the Company if the Offeror or persons acting in concert with it would thereby become obliged under Rule 26 of the Takeovers Code to make an offer, in each case except with the consent of the Executive.

**15. REGISTRATION AND PAYMENT****Latest time for lodging transfers of Shares**

In order to qualify for entitlements under the Scheme, Scheme Shareholders should ensure that their Shares are registered or lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration in their names or in the names of their nominees before 4:30 p.m. on Tuesday, 29 July 2025.

**Payment of the Cancellation Price to Scheme Shareholders**

Subject to the Scheme becoming effective, the Cancellation Price will be paid to the Scheme Shareholders whose names appear on the register of members of the Company on the Scheme Record Date as soon as possible but in any event no later than seven business days (as defined in the Takeovers Code) after the Effective Date. On the basis that the Scheme becomes effective on Friday, 1 August 2025 (Bermuda time), the cheques for the payment of the Cancellation Price are expected to be despatched on or before Tuesday, 12 August 2025.

Cheques for the payment of the Cancellation Price will be sent by ordinary post in postage pre-paid envelopes addressed to the persons entitled thereto at their respective registered addresses on the register of members of the Company or, in the case of joint holders, to the registered address of that joint holder whose name first appears on the register of members of the Company in respect of the joint holding. All such cheques will be sent at the risk of the persons entitled thereto and none of the Offeror, the Company, Somerley Capital, the



Independent Financial Adviser and the share registrar of the Company and their respective ultimate beneficial owners, nominees, directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal shall be liable for any loss or delay in despatch.

On or after the day being six calendar months after the posting of such cheques, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed or has been returned uncashed, and shall place all monies represented thereby in a deposit account in the name of the Offeror with a licensed bank in Hong Kong selected by the Offeror.

The Offeror shall hold all monies in respect of uncashed cheques until the expiry of six years from the Effective Date and shall, prior to such date, make payments therefrom of the sums payable pursuant to the Scheme to persons who satisfy the Offeror that they are respectively entitled thereto. Any payments made by the Offeror shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to the Scheme, and are subject to, if applicable, the deduction of interest, tax or any withholding tax or any other deduction required by law. The Offeror shall exercise its absolute discretion in determining whether or not it is satisfied that any person is so entitled and a certificate of the Offeror to the effect that any particular person is so entitled or not so entitled, as the case may be, shall be conclusive and binding upon all persons claiming an interest in the relevant monies.

On the expiry of six years from the Effective Date, the Offeror shall be released from any further obligation to make any payments under the Scheme and shall be absolutely entitled to the balance (if any) of the sums then standing to the credit of the deposit or custodian account in its name, including accrued interest subject to any deduction required by law and any expenses incurred.

No fractions of a cent will be payable and the amount of cash consideration payable to a Scheme Shareholder under the Scheme will be rounded up to the nearest cent.

Settlement of the Cancellation Price to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Scheme Shareholder.

Upon the Scheme becoming effective, the register of members of the Company will be updated accordingly to reflect the cancellation of all of the Scheme Shares and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title as from the Effective Date, which is expected to be on Friday, 1 August 2025 (Bermuda time).

**16. OVERSEAS SHAREHOLDERS****General**

This Scheme Document has been prepared for the purposes of complying with the laws of Hong Kong and Bermuda, the Takeovers Code and the Listing Rules, and the information disclosed may not be the same as that which would have been disclosed if this Scheme Document had been prepared in accordance with the laws of any other jurisdictions.

This Scheme Document does not constitute an offer to buy or sell any securities or the solicitation of an offer to buy or subscribe for securities in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

The making and implementation of the Proposal to Scheme Shareholders who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders are located. Such Scheme Shareholders should inform themselves about and observe any applicable legal, tax or regulatory requirements in their respective jurisdictions and, where necessary, seek their own legal advice. The Offeror and the Company do not represent that this Scheme Document may be lawfully distributed in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Offeror and the Company which is intended to permit a public offering or the distribution of this Scheme Document in any jurisdiction (other than Hong Kong) where action for that purpose is required. Accordingly, it is prohibited to (i) copy, distribute or publish all or part of this Scheme Document or any advertisement or other offering material in any jurisdiction and (ii) disclose its content or (iii) use information contained therein for any purpose other than assessment of the Proposal, unless the information is already publicly available in another form.

It is the responsibility of any overseas Scheme Shareholders wishing to take any action in relation to the Proposal and/or the Scheme to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in any relevant jurisdiction. The Offeror and the Company expressly decline any liability for breach of any of these restrictions by any persons.

Any acceptance by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Company, the Offeror and their respective advisers (including Somerley Capital and Platinum Securities) that those laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers. For the avoidance of doubt, neither HKSCC or HKSCC Nominees Limited will give, or be subject to, the above warranty and representation.

As at the Latest Practicable Date, there were 14 Shareholders (representing approximately 2.92% of the total number of the Shareholders) whose addresses as shown in the register of members of the Company were outside Hong Kong, namely the British Virgin Islands, Canada, France, the United Kingdom, Malaysia, Singapore and the United States of America (the “**Overseas Jurisdictions**”), and those Shareholders in aggregate held 49,699,399 Shares (representing approximately 12.87% of the total number of Shares in issue of the Company).

The Company had been advised by the local counsel in the respective Overseas Jurisdictions that there is no restriction under the respective laws or regulations of those jurisdictions against extending the Scheme automatically or despatching this Scheme Document to overseas Shareholders whose addresses as shown in the register of members of the Company were situated in the aforesaid jurisdictions. Therefore, the Scheme will be extended to and this Scheme Document will be despatched to those overseas Shareholders.

#### **Overseas Shareholders residing or located in Canada**

This Scheme Document is not, and under no circumstances is it to be construed as, an advertisement or a public offering of the securities referred to in this Scheme Document. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Scheme Document or the merits of the securities described herein and any representation to the contrary is an offence. In Canada, this Scheme Document is intended solely for the shareholders of the Company.

#### **Overseas Shareholders residing or located in France**

This Scheme Document is not a prospectus and shall not be considered as an offer to the public within the meaning of Regulation (EU) 2017/1129 dated 14 June 2017 (as amended, supplemented, varied and/or replaced from time to time) and article L. 411–1 of the French Monetary and Financial Code. This Scheme Document has not been approved by the French Financial Market Authority (the Autorités des Marchés Financiers). Any offer of securities to the public must be made in accordance with the relevant regulations which may impose the publication of a prospectus approved by the French Financial Market Authority (the Autorités des Marchés Financiers). Any French investor is advised to consult without delay its independent French advisor regarding the consequences that the Proposal may entail.

#### **Overseas Shareholders residing or located in Malaysia**

This Scheme Document does not constitute an offer or an invitation to subscribe for or purchase the shares of the Company or any other securities. No invitation or offer to subscribe for or purchase the shares of the Company or any other securities is made and no prior recognition of the Securities Commission of Malaysia has been applied for or is required in connection with the Proposal or the Scheme. This Scheme Document has not been and will not be registered or lodged with the Securities Commission of Malaysia.

**Overseas Shareholders residing or located in Singapore**

This Scheme Document is for the exclusive use by the Scheme Shareholders solely for the purpose of assessing the Proposal and should not be used other than in connection with such purpose. This Scheme Document has not been, and will not be, lodged with or registered by the Monetary Authority of Singapore, does not constitute an offer or invitation for the sale or purchase of securities in Singapore and shall not form the basis of any contract for the issue or sale of securities in Singapore. This Scheme Document may not be circulated or distributed, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with exemptions in Subdivision 4, Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (“SFA”), or as otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

**Overseas Shareholders residing or located in the United Kingdom**

In the United Kingdom, any invitation or inducement to engage in investment activity (within the meaning of Section 21 of Financial Services and Markets Act 2000 (“FSMA”)) received in connection with the Scheme has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in circumstances in which Section 21(1) of FSMA does not apply to such invitation or to persons to whom it may otherwise lawfully be communicated. Accordingly, in the United Kingdom, this Scheme Document is being distributed only to, and is directed at, persons who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended (relevant persons). The investment activity to which this Scheme Document relates is available only to, and any invitation, offer or agreement in connection with the Proposal will be engaged in only with relevant persons.

**Overseas Shareholders residing or located in the United States of America**

The Proposal and the Scheme relate to the cancellation of the securities of a company incorporated in Bermuda by means of a scheme of arrangement provided for under the laws of Bermuda and are subject to Hong Kong disclosure requirements and practices which are different from those of the United States.

The securities are not listed on a United States national securities exchange or registered under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules of the Exchange Act. Accordingly, the Proposal and the Scheme is subject to the procedural and disclosure requirements and practices applicable in Bermuda and Hong Kong to schemes of arrangement, which differ from the procedural and disclosure requirements and practices applicable under the U.S. federal securities laws.

The receipt of cash pursuant to the Proposal and the Scheme by a U.S. holder of Scheme Shares as consideration for the cancellation of his/her/its Scheme Shares pursuant to the Scheme may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other tax laws. Each holder of Scheme Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of the Proposal and the Scheme applicable to him/her/it.

It may be difficult for a U.S. holder of Scheme Shares to enforce his/her/its rights and claims arising out of the U.S. federal securities laws in connection with the Proposal and the Scheme, since the Offeror and the Company are incorporated and located in a country other than the United States, and some or all of their respective officers and directors may be residents of a country other than the United States. A U.S. holder of Scheme Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgement.

None of the Proposal, the Scheme, the Announcement or this Scheme Document have been approved or disapproved by the US Securities and Exchange Commission, any U.S. state securities commission or any other U.S. regulatory authority, nor have such authorities approved or disapproved or passed judgement upon the fairness or the merits of the Proposal or the Scheme, or determined if the information contained in the Announcement or this Scheme Document is adequate, accurate or complete. Any representation to the contrary is a criminal offence in the United States.

This Scheme Document is not intended to and does not constitute, or form part of, an offer or invitation to purchase or subscribe for any securities of the Offeror or the Company in the United States. Financial information disclosed in respect of the Proposal and the Scheme has been or will have been prepared in accordance with non-U.S. accounting standards that may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

## **17. TAXATION ADVICE**

As the Scheme does not involve the sale and purchase of Hong Kong stock, no Hong Kong stamp duty will be payable pursuant to the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) on the cancellation of the Scheme Shares upon the Scheme becoming effective.

Scheme Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal. It is emphasised that none of the Offeror, the Offeror Concert Parties, the Company and Somerley Capital or any of their respective ultimate beneficial owners, nominees, directors, officers, employees, agents, affiliates, advisers or associates or any other person involved in the Proposal accepts responsibility (other than in respect of themselves, if applicable) for any taxation effects on, or liabilities of, any persons as a result of their approval or the implementation of the Proposal.

**18. COSTS OF THE SCHEME**

If either the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal and the Scheme, and the Scheme is not approved, all costs and expenses incurred by the Company in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code. Given that the Proposal is recommended by the Independent Board Committee and is recommended as fair and reasonable by the Independent Financial Adviser, Rule 2.3 of the Takeovers Code is not applicable.

All costs, charges and expenses incurred by the Company and/or its advisers and counsels, including the Independent Financial Adviser, will be borne by the Company, whereas all costs, charges and expenses incurred by the Offeror and/or their advisers and counsels will be borne by the Offeror, and other costs, charges and expenses of the Proposal will be shared between the Offeror and the Company equally.

**19. RECOMMENDATION**

Your attention is drawn to the recommendations of the Independent Board Committee in respect of the Proposal as set out in the letter from the Independent Board Committee to the Disinterested Shareholders in Part V of this Scheme Document.

Your attention is also drawn to the recommendations of the Independent Financial Adviser in respect of the Proposal and the Scheme as set out in Part VI of this Scheme Document. We would advise you to read this letter carefully before you take any action in respect of the Proposal.

**20. ADDITIONAL INFORMATION**

Additional information in relation to the Proposal is set out in the appendices to, and elsewhere in, this Scheme Document, all of which form part of this Explanatory Memorandum.

Shareholders and Scheme Shareholders should rely only on the information contained in this Scheme Document. None of the Company, the Offeror, Somerley Capital, and their respective ultimate beneficial owners, nominees, directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal have authorised anyone to provide you with information that is different from what is contained in this Scheme Document.

**21. LANGUAGE**

In case of inconsistency, the English language text of this Scheme Document and the accompanying forms of proxy shall prevail over the Chinese language text.

**1. FINANCIAL SUMMARY**

Set out below is a summary of the audited consolidated financial information of the Group for each of the three financial years ended 31 March 2023, 31 March 2024 and 31 March 2025. The financial information for the years ended 31 March 2023, 31 March 2024 and 31 March 2025 are extracted from the annual reports of the Company for the relevant financial years.

The independent auditor's reports issued by the auditors of the Company, KPMG, in respect of the audited consolidated financial statements of the Group for each of the three financial years ended 31 March 2023, 31 March 2024 and 31 March 2025 did not contain any modified opinion, emphasis of matter or material uncertainty related to going concern.

The Company had declared final dividends of HK27 cents per Share, HK35 cents per Share and nil for the financial years ended 31 March 2023, 31 March 2024 and 31 March 2025, respectively, and the relevant amount of final dividends paid to equity shareholders of the Company were approximately HK\$106,435,000, HK\$137,971,000 and nil, respectively. The Company had also declared interim dividends of HK8 cents per Share, HK10 cents per Share and HK10 cents per Share for the six months period ending 30 September 2022, 30 September 2023 and 30 September 2024, respectively, and the relevant amount of interim dividends paid to equity shareholders of the Company were approximately HK\$31,536,000, HK\$39,420,000 and HK\$39,420,000, respectively.

Save as disclosed below, there were no other items of income or expense which were material in respect of the consolidated financial results of the Group for the financial years ended 31 March 2023, 31 March 2024 and 31 March 2025.

## Summary of Consolidated Statement of Profit or Loss

	Year ended 31 March		
	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000
Revenue	2,130,785	2,400,137	1,921,768
Cost of sales	(1,134,673)	(1,302,226)	(1,062,672)
<b>Gross profit</b>	<b>996,112</b>	<b>1,097,911</b>	<b>859,096</b>
Other (loss)/income	(25,941)	79,728	54,302
Selling and distribution expenses	(495,719)	(572,860)	(451,632)
Administrative expenses	(133,569)	(150,512)	(163,083)
Other operating expenses	(15,791)	(32,351)	(30,194)
<b>Operating profit</b>	<b>325,092</b>	<b>421,916</b>	<b>268,489</b>
Finance costs	(50,716)	(66,543)	(39,719)
<b>Profit before taxation</b>	<b>274,376</b>	<b>355,373</b>	<b>228,770</b>
Taxation	(21,739)	(4,606)	(30,758)
<b>Profit for the year attributable to equity shareholders of the Company</b>	<b>252,637</b>	<b>350,767</b>	<b>198,012</b>
<b>Earnings per share (basic and diluted)</b>	<b>64.1 cents</b>	<b>89.0 cents</b>	<b>50.4 cents</b>



## Summary of Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Year ended 31 March		
	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000
<b>Profit for the year</b>	<b>252,637</b>	<b>350,767</b>	<b>198,012</b>
<b>Other comprehensive income for the year:</b>			
Items that will not be reclassified to profit or loss:			
Remeasurement of net defined benefit assets	1,108	(20)	552
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of subsidiary and associated companies outside Hong Kong	(24,513)	(22,250)	(19,066)
<b>Other comprehensive income for the year</b>	<b>(23,405)</b>	<b>(22,270)</b>	<b>(18,514)</b>
<b>Total comprehensive income for the year attributable to equity shareholders of the Company</b>	<b>229,232</b>	<b>328,497</b>	<b>179,498</b>

## 2. CONSOLIDATED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Group for the year ended 31 March 2025 and the notes thereto (including the notes on basis of preparation and material accounting policies) are set out in the annual report of the Company for the year ended 31 March 2025 (the “**Annual Report 2025**”), which was published on 25 June 2025. The Annual Report 2025 is posted on the Company’s website at <http://www.dickson.com.hk> and the website of the Stock Exchange at <http://www.hkexnews.hk>.

The audited consolidated financial statements of the Group for the year ended 31 March 2024 and the notes thereto (including the notes on basis of preparation and material accounting policies) are set out on pages 57 to 121 of the annual report of the Company for the year ended 31 March 2024 (the “**Annual Report 2024**”), which was published on 11 July 2024. The Annual Report 2024 is posted on the Company’s website at <http://www.dickson.com.hk> and the website of the Stock Exchange at <http://www.hkexnews.hk>. Please also see below a direct link to the Annual Report 2024:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0711/2024071100360.pdf>

The audited consolidated financial statements of the Group for the year ended 31 March 2023 and the notes thereto (including the notes on basis of preparation and material accounting policies) are set out on pages 57 to 119 of the annual report of the Company for the year ended 31 March 2023 (the “**Annual Report 2023**”), which was published on 10 July 2023. The Annual Report 2023 is posted on the Company’s website at <http://www.dickson.com.hk> and the website of the Stock Exchange at <http://www.hkexnews.hk>. Please also see below a direct link to the Annual Report 2023:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0710/2023071000278.pdf>

The audited consolidated financial statements of the Group for each of the three financial years ended 31 March 2023, 31 March 2024 and 31 March 2025 are incorporated by reference into this Scheme Document and form part of this Scheme Document.

**3. STATEMENT OF INDEBTEDNESS**

As at the close of business on 31 March 2025, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this Scheme Document, the indebtedness of the Group was as follows:

	<b>As at 31 March 2025 HK\$'000</b>
<b>Current liabilities</b>	
Bank loans – secured and unguaranteed	605,309
Lease liabilities	155,974
	<u>761,283</u>
	-----
<b>Non-current liabilities</b>	
Lease liabilities	202,043
	<u>202,043</u>
	-----
<b>Total</b>	<b><u>963,326</u></b>

Save as set out above or otherwise disclosed herein, and apart from intra-group liabilities, intra-group guarantees and normal trade payables in the ordinary course of business, as of the close of business on 31 March 2025, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities.

**4. MATERIAL CHANGE**

The Directors confirm that there had been no material change in the financial or trading position or outlook of the Group since 31 March 2025, being the date to which the latest audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

## 1. RESPONSIBILITY STATEMENT

As at the Latest Practicable Date, the sole director of the Offeror is Sir Dickson Poon, who accepts full responsibility for the accuracy of information contained in this Scheme Document (other than the information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this Scheme Document (other than those expressed by the Directors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document misleading.

As at the Latest Practicable Date, the Board comprises Sir Dickson Poon (Group Executive Chairman), Poon Dickson Pearson Guanda (Chief Operating Officer), Chan Hon Chung, Johnny Pollux and Lau Yu Hee, Gary as executive Directors; and Bhanusak Asvaintra, Nicholas Peter Etches, Fung Yue Ming, Eugene Michael and Lam Sze Wan Patricia as independent non-executive Directors. The Directors jointly and severally accept full responsibility for the accuracy of information contained in this Scheme Document (other than the information relating to the Offeror), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Scheme Document (other than those expressed by the sole director of the Offeror in his capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document misleading.

## 2. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date:

- (a) the authorised share capital of the Company is HK\$155,400,000 divided into 518,000,000 Shares, and the Company has 386,059,308 Shares in issue;
- (b) all of the Shares currently in issue rank *pari passu* in all respects including as to capital, dividends and voting;
- (c) no Shares had been issued by the Company since 31 March 2025 (being the end of the last financial year of the Company); and
- (d) the Company does not have any outstanding options, warrants or conversion rights affecting Shares in the Company or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

**3. MARKET PRICES**

The table below shows the closing prices of the Shares as quoted on the Stock Exchange (i) on the last trading day of each of the calendar months during the Relevant Period; (ii) on the Last Trading Day; (iii) on the Announcement Date; and (iv) on the Latest Practicable Date.

<b>Date</b>	<b>Closing price per Share HK\$</b>
31 October 2024	4.82
29 November 2024	4.67
31 December 2024	4.97
28 January 2025	4.92
28 February 2025	4.89
31 March 2025	4.82
23 April 2025 (Last Trading Day)	4.78
29 April 2025 (Announcement Date)	4.78
30 April 2025	6.84
30 May 2025	6.92
20 June 2025 (Latest Practicable Date)	6.86

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$6.92 on 30 May 2025 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$4.30 on 22 November 2024.

#### 4. DISCLOSURE OF INTERESTS

##### 4.1 Directors' interests and short positions in the Shares and shares in the Company's associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or shares and debentures of any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which the Directors and chief executives of the Company were deemed or taken to have under such provisions of the SFO), or as recorded in the register required to be kept by the Company pursuant to 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 under the Listing Rules, or required to be disclosed under the Takeovers Code were as follows:

##### The Company

Name of Director/ chief executive	Capacity/Nature of interest	Number of Shares or underlying Shares	Approximate percentage of total issued share capital
Sir Dickson Poon	Beneficial owner and trust founder	233,481,426 (Note 1)	60.48%
Pearson Poon	Beneficial owner and beneficiary of a discretionary trust	233,547,065 (Note 1)	60.50%

##### Note:

- (1) DIHPTC, Paicolex BVI and Paicolex AG are trustees of the Trusts, with DIHPTC interested in 233,464,065 Shares. The founder of the Trusts is Sir Dickson Poon and Pearson Poon (the son of Sir Dickson Poon) is among the eligible beneficiaries of the Trusts. In addition, Sir Dickson Poon and Pearson Poon holds 17,361 Shares and 83,000 Shares, respectively, as beneficial owners.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests and short positions in the Shares, underlying Shares and debentures of the Company or shares and debentures of any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were deemed to have under such provisions of the SFO); or recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, or required to be disclosed under the Takeovers Code.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had any interests in any Shares, convertible securities, warrants, options or derivatives of the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares in the Company which would fall to be disclosed to the Company and the Stock Exchange under provisions of Divisions 2 and 3 or Part XV of the SFO.

#### 4.2 Interests and short positions of the Offeror, the Offeror Concert Parties and other substantial Shareholders in the Shares

As at the Latest Practicable Date, Shareholders (other than the interest disclosed above in respect of the Directors or the chief executives of the Company) who had interests and short positions in the Shares, underlying Shares and debentures of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Name of Shareholder	Capacity/Nature of interest	Number of Shares or underlying Shares	Approximate percentage of total issued share capital (%)
Yu Kwai Chu, Pearl ( <i>Note 1</i> )	Interest of spouse	233,481,426	60.48
DIHPTC ( <i>Note 2</i> )	Trustee	233,464,065	60.47
Paicolex BVI ( <i>Note 2</i> )	Trustee	233,464,065	60.47
Paicolex AG ( <i>Note 2</i> )	Trustee	233,464,065	60.47

*Notes:*

- (1) These Shares refer to the family interest attributable to Sir Dickson Poon, the spouse of Ms. Yu Kwai Chu, Pearl.
- (2) As at the Latest Practicable Date, DIHPTC, Paicolex BVI and Paicolex AG are trustees of the Trusts, with DIHPTC interested in 233,464,065 Shares. DIHPTC is the sole shareholder of the Offeror and the Offeror does not hold any Shares. The founder of the Trusts is Sir Dickson Poon and Pearson Poon (the son of Sir Dickson Poon) is among the eligible beneficiaries of the Trusts.
- (3) The percentages are subject to rounding adjustments.

Save as disclosed above, as at the Latest Practicable Date, there was no person (other than the interest disclosed above in respect of the Directors or the chief executives of the Company) who (a) had interests and short positions in the Shares, underlying Shares and debentures of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO; or (b) were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying the right to vote in all circumstances at general meetings of the Company or any options in respect of such capital.

As at the Latest Practicable Date, save for the existing shareholding of the Offeror Concert Parties as set out in the section headed “4. Shareholding Structure of the Company” in Part VII – Explanatory Memorandum of this Scheme Document, none of the Offeror, its sole director or the Offeror Concert Parties had any interest in, owned or controlled any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

#### **4.3 Dealings in the securities of the Company**

(a) During the Relevant Period:

- (i) save for the Shares repurchased by the Company, none of the Offeror, its sole director or the Offeror Concert Parties had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares; and
- (ii) none of the Directors had any dealings in any Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into Shares.

(b) During the Offer Period and up to the Latest Practicable Date:

- (i) no subsidiaries of the Company, pension funds (if any) of any member of the Group, any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of acting in concert or any associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code (excluding any exempt principal trader or exempt fund manager) had any dealings in any Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into Shares;



- (ii) no person who had an arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with (A) the Company or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code, and/or (B) the Offeror or the Offeror Concert Parties, has dealt for value in any Shares, convertible securities, warrants, options or derivatives in respect of any Shares; and
- (iii) no fund managers (other than exempt fund managers) connected with the Company who managed funds on a discretionary basis had any dealings in any Shares, convertible securities, warrants, options or derivatives in respect of any Shares.

#### **4.4 Interest and dealings in the securities of the Offeror**

- (a) As at the Latest Practicable Date, save for Sir Dickson Poon being the sole shareholder of DIHPTC, which in turn is the sole shareholder of the Offeror, none of the Company or any of the Directors had any interest in the shares, warrants, options, derivatives and securities carrying conversion or subscription rights into shares of the Offeror.
- (b) During the Relevant Period, none of the Company or any of the Directors had any dealings in the shares, warrants, options, derivatives and securities carrying conversion or subscription rights into shares of the Offeror.

#### **4.5 Other interests**

As at the Latest Practicable Date:

- (a) save for the Shares held by DCL as set out in the section headed “4. Shareholding Structure of the Company” in Part VII – Explanatory Memorandum of this Scheme Document, no Shares or any convertible securities, warrants, options or derivatives issued by the Company were owned or controlled by a subsidiary of the Company, a pension fund (if any) of any member of the Group, a person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert”, or an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code (other than exempt principal traders and exempt fund managers);
- (b) no Shares, convertible securities, warrants, options or derivatives in respect of the Shares were managed on a discretionary basis by any fund managers (other than exempt fund managers) connected with the Company; and

- (c) none of the Company, the Directors, the Offeror or any of the Offeror Concert Parties had borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company.

#### 4.6 Other arrangements in relation to the Proposal

As at the Latest Practicable Date:

- (a) there was no arrangement of the kind referred to in the third paragraph of Note 8 to Rule 22 of the Takeovers Code which existed between any person and (A) the Company or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” or any person who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code, and/or (B) the Offeror or the Offeror Concert Parties;
- (b) there was no material contract which had been entered into by the Offeror in which any Director had a material personal interest;
- (c) no benefit would be given to any Directors as compensation for loss of office or otherwise in connection with the Proposal;
- (d) there was no agreement, arrangement or understanding (including any compensation) existed between any of the Directors and any other person which was conditional on or was dependent upon the outcome of the Proposal or otherwise connected with the Proposal;
- (e) other than the Proposal and the Scheme, there was no agreement, arrangement or understanding (including any compensation arrangement) exists between the Offeror or the Offeror Concert Parties and any Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependence upon the Proposal;
- (f) there was no agreement, arrangement or understanding between the Offeror and any other person in relation to the transfer, charge or pledge of the Shares to be acquired in pursuance of the Proposal, and the Offeror had no intention to transfer, charge or pledge any Shares acquired in pursuance of the Proposal to any other person;
- (g) there was no arrangement (whether by way of option, indemnity or otherwise), in relation to the Shares or the shares of the Offeror and any of the Offeror Concert Parties between the Offeror or any of the Offeror Concert Parties and any other person which might be material to the Proposal;

- (h) save for Sir Dickson Poon and Pearson Poon holding Shares as beneficial owners, respectively, and both of them will abstain from voting on the Scheme at the Court Meeting, none of the Directors hold any beneficial shareholding in the Shares which would entitle them to vote in favour or against the Scheme at the Court Meeting or the resolutions proposed at the SGM;
- (i) neither the Offeror nor any of the Offeror Concert Parties had received any irrevocable commitment from any Disinterested Shareholder to vote for or against the Scheme;
- (j) other than the Cancellation Price for each Scheme Share payable under the Scheme, the Offeror or the Offeror Concert Parties have not paid and will not pay any other consideration, compensation or benefit in whatever form to the Scheme Shareholders or persons acting in concert with them in connection with the cancellation of the Scheme Shares; and
- (k) there is no understanding, arrangement or agreement which constitutes special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii) the Offeror and the Offeror Concert Parties, or the Company or the Company's subsidiaries or associated companies.

## 5. MATERIAL LITIGATION

The Company has been notified by the SFC on 15 October 2024 that it has commenced proceedings in the Market Misconduct Tribunal (“MMT”) against, among others, the Company. On 9 January 2020, the Company announced (the “**Relevant Announcement**”) that PayPal Holdings, Inc had acquired Honey Science Corporation (the “**Relevant Acquisition**”) in which the Company had a minority interest and that the Company would receive US\$147,585,708 in proceeds from realisation of its investment. In the MMT proceedings the SFC alleges that (1) the Company should have made an earlier disclosure of the Relevant Acquisition and that the Company, Sir Dickson Poon and Pearson Poon are therefore in breach of the disclosure requirements in the SFO; and (2) that, through Equity Advantage Limited, a company connected to the Company within the meaning of the SFO, Sir Dickson Poon traded in the shares of the Company before publication of the Relevant Announcement and in a manner that, it is alleged, constitutes a breach of the insider dealing provisions in the SFO. The Company denies the allegations made against it. For details, please refer to the Company's announcements dated 15 October 2024 and 6 November 2024. To the best knowledge and belief of the Company, other than the MMT having set down the hearing dates in December 2025, there are no other material updates to the abovementioned MMT proceedings.

Save as disclosed above and detailed in the Company's announcements dated 15 October 2024 and 6 November 2024, as at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration or claim of material importance and no litigation or claim of material importance was pending or threatened by or against any member of the Group.

**6. MATERIAL CONTRACTS**

There were no material contracts entered into by any member of the Group within two years before the commencement of the Offer Period and up to and including the Latest Practicable Date, other than contracts entered into in the ordinary course of business carried on or intended to be carried on by any member of the Group.

**7. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered into any service contract with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed term contracts) had been entered into or amended within six months before the commencement of the Offer Period; (ii) are continuous contracts with a notice period of 12 months or more; or (iii) are fixed term contracts with more than 12 months to run irrespective of the notice period.

**8. CONSENTS AND QUALIFICATIONS OF EXPERTS**

The following are the qualifications of each of the experts who have been named in this Scheme Document or have given their opinion or advice which are contained in this Scheme Document:

<b>Name</b>	<b>Qualification</b>
Somerley Capital	a licensed corporation under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in connection with the Proposal
Platinum Securities	a licensed corporation under the SFO to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, the Independent Financial Adviser appointed to advise the Independent Board Committee in connection with the Proposal and the Scheme

Each of the experts named above has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion in this Scheme Document of the text of its letter, report or opinion (as the case may be) and references to its name in the form and context in which they are included.

## 9. MISCELLANEOUS

- (a) The correspondence address of the Offeror is at 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong.
- (b) The sole director of the Offeror is Sir Dickson Poon.
- (c) The Offeror is wholly-owned by DIHPTC, which in turn is wholly-owned by Sir Dickson Poon.
- (d) Somerley Capital is the financial adviser to the Offeror in relation to the Proposal, and its registered address is at 20/F, China Building, 29 Queen's Road Central, Hong Kong.
- (e) The principal members of the Offeror Concert Parties and the respective director(s) of such principal members as of the Latest Practicable Date (where applicable) are:

Name	Director(s)	Registered office/ correspondence address
DIHPTC	Dickson Poon Poon, Kam Yin Yvonne F.M.C. Limited TMF Management Services Ltd.	4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong
Paicolex BVI ( <i>Note 1</i> )	Andrew Christopher Lugg Grant Bushell Yayoi Kitani Stadelmann Adam Nicholas James Rhodes	Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands
Paicolex AG ( <i>Note 2</i> )	Andrew Christopher Lugg Yayoi Kitani Stadelmann Roger Wyss Grant Bushell Francis Joseph Eammon Harkin	Obere Wiltisgasse 52, 8700 Kusnacht ZH, Switzerland
Sir Dickson Poon	N/A	4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong
Pearson Poon	N/A	4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong

Name	Director(s)	Registered office/ correspondence address
Sheila Poon	N/A	Room 108, Yu To Sang Building, 37 Queen's Road Central, Hong Kong
Poon, Penny	N/A	Room 108, Yu To Sang Building, 37 Queen's Road Central, Hong Kong
Poon, Kam Wai May	N/A	Room 108, 1/F Yu To Sang Building, 37 Queen's Road Central, Hong Kong
King Wing Keung Walter	N/A	19/F International Medical Centre One Chinachem Central 23 Des Voeux Road Central Hong Kong
Poon, Kam Yin Yvonne	N/A	Room 108 Yu To Sang Building, 37 Queen's Road Central, Hong Kong
Boey John Hoong (also known as Mei Jan Hoong)	N/A	Room 108 Yu To Sang Building, 37 Queen's Road Central, Hong Kong
Boey Mark Frederick	N/A	3/F, BLK B Guildford Garden 1-3 Mansfield Road The Peak, Hong Kong
Poon Dee Chu Ying	N/A	13/F, Harbour Center 25 Harbour Road Wan Chai, Hong Kong

Name	Director(s)	Registered office/ correspondence address
Poon Tak Wing Daryl May	N/A	4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong
Super Fortune Ventures Ltd. (Note 2)	Poon, Penny	Room 108, 1/F Yu To Sang Building, 37 Queen's Road Central, Hong Kong
Twin Profit Holdings Ltd. (Note 2)	Poon, Penny	Room 108, 1/F Yu To Sang Building, 37 Queen's Road Central, Hong Kong
Super Eighty Eight Ventures Ltd. (Note 2)	Poon, Penny	Room 108, Yu To Sang Building, 37 Queen's Road Central, Hong Kong
Jumbo Joy Enterprises Ltd. (Note 3)	Poon, Kam Wai May	FT 6B, Hollywood Heights 6 Old Peak Road The Peak, Hong Kong
Produce Return Ltd. (Note 4)	Poon, Kam Yin Yvonne	FT 108, Yu To Sang Building, 37 Queen's Road Central, Hong Kong
Kingray Finance Co. Ltd. (Note 5)	Dickson Poon Poon, Kam Wai May Poon, Penny Poon, Kam Yin Yvonne	Room 108, Yu To Sang Building, 37 Queen's Road Central, Hong Kong
DCL	Dickson Poon Poon Dickson Pearson Guanda Chan Hon Chung, Johnny Pollux Or Suk Ying, Stella	4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong

*Notes:*

- (1) Based on the information available to the Company, Paicolex BVI is wholly-owned by Paicolex AG, which in turn is wholly-owned by Paicolex Holding AG, a limited company registered in Switzerland. The controlling shareholders of Paicolex Holding AG are Andrew Christopher Lugg and Grant Bushell, and each of them holds approximately 39.65% of the total issued shares of Paicolex Holding AG.
  - (2) The sole shareholder of the relevant company is Poon, Penny.
  - (3) The sole shareholder of the relevant company is Poon, Penny as trustee for the sole beneficial owner, Poon, Kam Wai May.
  - (4) The sole shareholder of the relevant company is Poon, Kam Yin Yvonne.
  - (5) The shareholders of Kingray Finance Co. Ltd. are Sir Dickson Poon, Poon, Kam Yin Yvonne, Poon, Kam Wai May and Poon, Penny, and each of them holds 22.25% of the total issued shares of Kingray Finance Co. Ltd., and Sheila Poon, who holds 11% of the total issued shares of Kingray Finance Co. Ltd.
- (f) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (g) The Company's principal place of business in Hong Kong is situated at 4th Floor, East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong.
- (h) The Company's Hong Kong branch share registrar and transfer office is Tricor Investor Services Limited, which is situated at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (i) The registered office of the Independent Financial Adviser is situated at 21/F, LHT Tower, 31 Queen's Road Central, Hong Kong.

**10. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection on the website of the Company at [www.dickson.com.hk](http://www.dickson.com.hk) and the website of SFC at [www.sfc.hk](http://www.sfc.hk) from the date when this Scheme Document is published until (a) the Effective Date, and (b) the date on which the Scheme is withdrawn or lapses, whichever is earlier:

- (a) the memorandum of association and amended and restated bye-laws of the Company;
- (b) the memorandum and articles of association of the Offeror;
- (c) the annual reports containing the audited consolidated financial statements of the Company for the years ended 31 March 2023, 31 March 2024 and 31 March 2025;
- (d) the letter from the Board, the text of which is set out in Part IV of this Scheme Document;



- (e) the letter from the Independent Board Committee, the text of which is set out in Part V of this Scheme Document;
- (f) the letter from the Independent Financial Adviser, the text of which is set out in Part VI of this Scheme Document;
- (g) the written consents referred to in the section headed “8. Consents and Qualifications of Experts” in this Appendix II; and
- (h) this Scheme Document.

**IN THE SUPREME COURT OF BERMUDA  
CIVIL JURISDICTION  
COMMERCIAL COURT**

**2025 No. 129  
IN THE MATTER OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED  
and  
IN THE MATTER OF SECTION 99 OF THE COMPANIES ACT 1981 OF BERMUDA**

---

**SCHEME OF ARRANGEMENT  
BETWEEN  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED  
AND  
THE SCHEME SHAREHOLDERS  
(as defined below)**

---

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions shall bear the following meanings:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Announcement”	the announcement dated 29 April 2025 jointly issued by the Company and the Offeror in relation to, among other things, the Proposal
“Announcement Date”	29 April 2025, being the date of the Announcement
“Board”	the board of Directors
“Cancellation Price”	the cancellation price of HK\$7.20 per Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“Companies Act”	the Companies Act 1981 of Bermuda, as amended from time to time
“Company”	Dickson Concepts (International) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“Condition(s)”	the conditions to the implementation of the Proposal and the Scheme as set out in the section headed “3. Conditions of the Proposal” of the Explanatory Memorandum in this Scheme Document
“Court”	the Supreme Court of Bermuda
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Court at 11:00 a.m. on 18 July 2025 at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong, at which the Scheme (with or without modification) will be voted upon, or any adjournment or postponement thereof
“DIHPTC”	Dickson Investment Holding (PTC) Corporation, a trustee of the Trusts and the sole shareholder of the Offeror, is a company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by Sir Dickson Poon
“Director(s)”	the director(s) of the Company
“Disinterested Scheme Share(s)”	Scheme Share(s) held by the Disinterested Shareholders
“Disinterested Shareholders”	Scheme Shareholders other than the Offeror and the Offeror Concert Parties
“Effective Date”	the date on which the Scheme becomes effective in accordance with and subject to its terms and conditions and the Companies Act
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate(s) of the Executive Director
“Explanatory Memorandum”	the explanatory memorandum set out in Part VII of this Scheme Document
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	an independent board committee of the Company, comprising Mr. Bhanusak Asvaintra, Mr. Nicholas Peter Etches, Mr. Fung Yue Ming, Eugene Michael and Ms. Lam Sze Wan Patricia, each being an independent non-executive Director, formed for the purpose of making a recommendation to the Disinterested Shareholders in respect of the Proposal and the Scheme
“Independent Financial Adviser”	Platinum Securities Company Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee as to the Proposal and the Scheme
“Latest Practicable Date”	20 June 2025, being the latest practicable date for ascertaining certain information contained in the Scheme Document
“Long Stop Date”	31 October 2025 or such later date as the Offeror may agree and, to the extent applicable, as the Court may direct, in all cases as permitted by the Executive
“Offeror”	Bestcity Assets Limited, a company incorporated in the British Virgin Islands with limited liability, which is a wholly-owned subsidiary of DIHPTC
“Offeror Concert Parties”	parties acting in concert with the Offeror in relation to the Company
“Paicolex AG”	Paicolex Trust Management AG, a company incorporated in Switzerland, which is owned by an independent third party of the Company and the Offeror and a trustee of the Trusts
“Paicolex BVI”	Paicolex Trust Company (BVI) Limited, a company incorporated in the British Virgin Islands, which is owned by an independent third party of the Company and the Offeror and a trustee of the Trusts
“PRC”	the People’s Republic of China which, for the purpose of this Scheme Document only, shall exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan

“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme, and the withdrawal of listing of the Shares from the Stock Exchange, on the terms and subject to the conditions set out in the Announcement and in this Scheme Document
“Scheme”	a scheme of arrangement under Section 99 of the Companies Act involving, among other things, the cancellation of all the Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Court
“Scheme Document”	the composite scheme document of the Company and the Offeror dated 25 June 2025 issued to all Shareholders containing, inter alia, further details of the Proposal
“Scheme Record Date”	1 August, 2025 or such other date as may be announced to the Scheme Shareholders, being the record date for determining entitlements of the Scheme Shareholders under the Scheme
“Scheme Share(s)”	all of the Share(s) in issue and any further Share(s) as may be issued prior to the Scheme Record Date, other than those held by the Offeror, Sir Dickson Poon, DIHPTC, Paicolex BVI and Paicolex AG
“Scheme Shareholder(s)”	the registered holder(s) of the Scheme Share(s)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held in accordance with the Company’s memorandum of association and amended and restated bye-laws at 11:30 a.m. on 18 July 2025 (or, if later, as soon as practicable after the Court Meeting has been concluded or adjourned) at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong to consider and vote on, among other things, the necessary resolutions for the implementation of the Proposal, including any reduction of the issued share capital of the Company as a result of the cancellation of the Scheme Shares and the implementation of the Scheme, or any adjournment or postponement thereof

“Share(s)”	the ordinary share(s) of par value HK\$0.30 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of Share(s)
“Somerley Capital”	Somerley Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and the financial adviser to the Offeror in connection with the Proposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers published by the SFC, as amended, supplemented or otherwise modified from time to time
“Trusts”	the two family trusts, of which DIHPTC, Paicolex BVI and Paicolex AG are the trustees, Sir Dickson Poon being the founder of the trusts and Pearson Poon being among the eligible beneficiaries of such trusts

- (B) The Offeror has proposed the privatisation of the Company by way of the Scheme.
- (C) The Company is an exempted company with limited liability incorporated in Bermuda on 25 November 1991. As at the Latest Practicable Date, the Company had an authorised share capital of HK\$155,400,000 divided into 518,000,000 Shares of which 386,059,308 Shares had been issued fully paid or credited as fully paid.
- (D) Each of the Offeror and relevant Offeror Concert Parties who/which is a Scheme Shareholder has agreed to appear by Conyers Dill & Pearman Limited before the Court and has undertaken to the Court to be bound by the Scheme and to execute and do, and procure to be executed and done, all such documents, acts and things as may be necessary or desirable by the Offeror for the purpose of giving effect to the Scheme.
- (E) The primary purpose of the Scheme is to cancel all Scheme Shares in consideration of the Cancellation Price and to issue new Shares to the Offeror equal to the number of Scheme Shares cancelled on the Effective Date so that the Company will be owned as to (i) approximately 39.52% by the Offeror; (ii) approximately 60.47% by Dickson Investment Holding (PTC) Corporation; and (iii) approximately 0.01% by Sir Dickson Poon.

**THE SCHEME****PART I****CANCELLATION OF THE SCHEME SHARES**

1. On the Effective Date:
  - (a) all of the Scheme Shares will be cancelled; and
  - (b) contemporaneously with the cancellation of the Scheme Shares, the Company will issue to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled such that the issued share capital of the Company will be maintained at the amount in issue immediately prior to the cancellation of the Scheme Shares. The credit created in the books of accounts of the Company as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror, credited as fully paid.

**PART II****CONSIDERATION FOR CANCELLATION OF THE SCHEME SHARES**

2. In consideration of the cancellation of all Scheme Shares, each Scheme Shareholder (as appearing in the register of members of the Company on the Scheme Record Date) shall be entitled to receive the Cancellation Price for each Scheme Share cancelled.

**PART III****GENERAL**

3. (a) As soon as possible but in any event no later than seven business days (as defined in the Takeovers Code) after the Effective Date, the Offeror shall post or cause to be posted cheques to the Scheme Shareholders in respect of the sums payable to such Scheme Shareholders pursuant to paragraph 2 of the Scheme.
- (b) If any severe weather condition is in force in Hong Kong: (a) at any time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date to despatch cheques for the payment of the Cancellation Price, the latest date to despatch cheques will remain on the same business day (as defined in the Takeovers Code); or (b) at any time at or after 12:00 noon on the latest date to despatch cheques for the payment of the Cancellation Price, the latest date to despatch cheques will be rescheduled to the following business day (as defined in the Takeovers Code) which does not have any of those warnings in force at 12:00 noon and/or thereafter (or another business day (as defined in the Takeovers Code) thereafter that does not have any severe weather condition at 12:00 noon or thereafter). The term “severe weather” refers to the scenario where a tropical cyclone warning signal number 8 or above is hoisted, or “extreme conditions” or a black rainstorm warning is/are in force in Hong Kong.

- (c) All such cheques shall be sent by ordinary post in postage pre-paid envelopes addressed to such Scheme Shareholders at their respective registered addresses as appearing in the register of members of the Company as at the Scheme Record Date, or in the case of joint holders, at the registered address appearing in the register of members of the Company as at the Scheme Record Date of the joint holder whose name then stands first in the register of members of the Company in respect of the relevant joint holding.
- (d) All cheques shall be made payable to the order of the person or persons to whom, in accordance with the provisions of paragraph 3(c) of the Scheme, the envelope containing the same is addressed and the encashment of any such cheque shall be a good discharge to the Offeror for the moneys represented thereby.
- (e) All such cheques shall be posted at the risk of the addressees and none of the Offeror, the Company, Somerley Capital, the Independent Financial Adviser and the share registrar of the Company and their respective ultimate beneficial owners, nominees, directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal shall be liable for any loss or delay in despatch.
- (f) On or after the day being six calendar months after the posting of the cheques pursuant to paragraph 3(c) of the Scheme, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed or has been returned uncashed, and shall place all monies represented thereby in a deposit account in the name of the Offeror with a licensed bank selected by the Offeror. The Offeror shall hold such monies until the expiry of six years from the Effective Date and shall, prior to such date, make payments therefrom of the sums payable pursuant to paragraph 2 of the Scheme to persons who satisfy the Offeror that they are respectively entitled thereto, provided that the cheques referred to in the foregoing sentence of which they are payees have not been cashed. Any payments made by the Offeror shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to the Scheme, and are subject to, if applicable, the deduction of interest, tax or any withholding tax or any other deduction required by law. The Offeror shall exercise its absolute discretion in determining whether or not it is satisfied that any person is so entitled, and a certificate of the Offeror to the effect that any particular person is so entitled or not so entitled, as the case may be, shall be conclusive and binding upon all persons claiming an interest in the relevant monies.
- (g) On the expiry of six years from the Effective Date, the Offeror shall be released from any further obligation to make any payments under the Scheme and the Offeror shall be absolutely entitled to the balance (if any) of the sums then standing to the credit of the deposit account referred to in paragraph 3(f) of the Scheme, including accrued interest subject to any deduction required by law and any expenses incurred.



- (h) Paragraph 3 shall take effect subject to any prohibition or condition imposed by law.
4. As from and including the Effective Date:
- (a) all certificates for the Scheme Shares shall cease to have effect as documents or evidence of title for such Scheme Shares and every holder thereof shall be bound, at the request of the Company, to deliver up such certificates to the Company or to any person appointed by the Company to receive the same for cancellation;
  - (b) all instruments of transfer validly subsisting as at the Scheme Record Date in respect of the transfer of any number of the Scheme Shares shall cease to be valid for all purposes as instruments of transfer; and
  - (c) all mandates or other instructions to the Company in force as at the Scheme Record Date in relation to any of the Scheme Shares shall cease to be valid as effective mandates or instructions.
5. The Scheme shall become effective as soon as a copy of the order of the Court sanctioning the Scheme under Section 99 of the Companies Act has been delivered to the Registrar of Companies in Bermuda for registration.
6. Unless the Scheme shall have become effective on or before the Long Stop Date, the Scheme shall lapse.
7. The Company and the Offeror may jointly consent for and on behalf of all parties concerned to any modification(s) of or addition(s) to the Scheme or to any condition(s) which the Court may see fit to approve or impose.
8. Subject to the requirements of the Takeovers Code, the parties shall bear their own costs, charges and expenses of and incidental to the Scheme.

Date: 25 June 2025

IN THE SUPREME COURT OF BERMUDA  
CIVIL JURISDICTION  
COMMERCIAL COURT  
2025 NO. 129  
IN THE MATTER OF  
DICKSON CONCEPTS (INTERNATIONAL) LIMITED  
and  
IN THE MATTER OF SECTION 99 OF THE COMPANIES ACT 1981 OF BERMUDA

---

NOTICE OF COURT MEETING

---

**NOTICE IS HEREBY GIVEN** that, by an order dated 19 June 2025 (the “**Order**”) made in the above matter, the Supreme Court of Bermuda (the “**Court**”) has directed a meeting (the “**Court Meeting**”) of the Scheme Shareholders (as defined in the Scheme mentioned below) to be convened and held for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme**”) proposed to be made between Dickson Concepts (International) Limited (the “**Company**”) and the Scheme Shareholders and that the Court Meeting will be held at 11:00 a.m. on Friday, 18 July 2025 (Hong Kong time) at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at which all Scheme Shareholders are invited to attend.

The Scheme and the explanatory statement required by section 100 of the Companies Act 1981 of Bermuda (as amended) are part of the composite scheme document dated 25 June 2025 (the “**Scheme Document**”), which also includes this notice and other information, and has been despatched to the Scheme Shareholders. A copy of the Scheme Document can also be obtained by the Scheme Shareholders from the Company’s branch share registrar and transfer agent in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong during usual business hours.

Scheme Shareholders may vote in person at the Court Meeting or they may appoint another person (who must be an individual), whether a member of the Company or not, as their proxy to attend, speak and vote in their stead. A proxy need not be a member of the Company but must attend the meeting. A **PINK** form of proxy for use at the Court Meeting is enclosed with the Scheme Document. Completion and return of a form of proxy will not preclude a Scheme Shareholder from attending and voting in person at the meeting, or any adjournment thereof, if he/she so wishes and in such event, the **PINK** form of proxy previously submitted will be revoked by operation of law.

In the case of joint registered holders of a Scheme Share (as defined in the Scheme), any one of such persons may vote at the Court Meeting, either personally or by proxy, in respect of such Scheme Share as if he/she was solely entitled thereto. However, if more than one of such joint holders is present at the Court Meeting in person or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

In the case of a Scheme Shareholder which is a corporation, the Scheme Shareholder may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its corporate representative at the Court Meeting and exercise the same powers on behalf of the corporate Scheme Shareholder as if the corporate Scheme Shareholder was an individual Scheme Shareholder of the Company.

The **PINK** form of proxy for use at the Court Meeting, together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof, must be lodged at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 11:00 a.m. on Wednesday, 16 July 2025 or not less than 48 hours before the time for holding the Court Meeting or any adjournment or postponement thereof. Alternatively, the **PINK** form of proxy may be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it).

By the Order, the Court has appointed any independent non-executive director of the Company to act as chairman of the Court Meeting and has directed the chairman of the Court Meeting to report the proceedings of and the results of the Court Meeting to the Court.

The Scheme is subject to the subsequent sanction of the Court.

Dated: 25 June 2025

By Order of the Board  
**Dickson Concepts (International) Limited**

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head Office and Principal place of business:*  
4th Floor, East Ocean Centre  
98 Granville Road  
Tsimshatsui East  
Kowloon, Hong Kong

*Notes:*

1. Unless otherwise defined in this notice or the context otherwise requires, terms defined in the Scheme Document of which this notice forms part shall have the same meanings when used in this notice.
2. All resolutions put to vote at the Court Meeting will be decided by way of poll pursuant to the Listing Rules and the Takeovers Code.
3. For the purpose of determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting, the register of members of the Company will be closed from Tuesday, 15 July 2025 to Friday, 18 July 2025 (both days inclusive) and, during such period, no transfer of shares of the Company will be effected. In order to qualify to attend and vote at the Court Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer agent in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by no later than 4:30 p.m. on Monday, 14 July 2025.
4. If any severe weather condition is in force in Hong Kong at any time after 8:00 a.m. (Hong Kong time) on the date of the Court Meeting, the Court Meeting will be adjourned or postponed in accordance with the memorandum of association and amended and restated bye-laws of the Company. The Company will post an announcement on the respective websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.dickson.com.hk](http://www.dickson.com.hk) to notify the Scheme Shareholders of the date, time and venue of the rescheduled Court Meeting.



DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司\*

(incorporated in Bermuda with limited liability)

(Stock Code: 0113)

**NOTICE OF SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a special general meeting (the “**SGM**”) of Dickson Concepts (International) Limited (the “**Company**”) will be held at the Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Friday, 18 July 2025 at 11:30 a.m. (Hong Kong time) or, if later, as soon as practicable after the conclusion or adjournment of the Court Meeting (as defined in the Scheme Document (as defined below)) convened at the direction of the Supreme Court of Bermuda (the “**Court**”) for the purpose of considering and, if thought fit, passing with or without modification, the following resolution as a special resolution. Unless otherwise defined, capitalised terms used in this notice shall have the same meaning ascribed to them in the composite scheme document of the Company and the Offeror (as defined in the Scheme Document (as defined hereinafter)) dated 25 June 2025 (the “**Scheme Document**”) of which this notice forms part.

**SPECIAL RESOLUTION**

“**THAT**, (a) for the purposes of giving effect to the Scheme between the Company and the Scheme Shareholders as set out in the Scheme Document and subject to the approval of the Scheme by the Scheme Shareholders at the Court Meeting, on the Effective Date, any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares be and is hereby approved; (b) subject to and contemporaneously with the cancellation of the Scheme Shares in (a) above, the issued share capital of the Company shall be maintained by the allotment and issue to the Offeror of such number of new shares of the Company, credited as fully paid, as is equal to the number of the Scheme Shares cancelled; and the credit arising in the books of account of the Company as a result of the cancellation of the Scheme Shares shall be applied in paying up in full the new shares of the Company so allotted and issued to the Offeror; (c) subject to the Scheme taking effect, the withdrawal of listing of the shares of the Company on The Stock Exchange of Hong Kong Limited be approved, and any one director of the Company be authorised to make application to The Stock Exchange of Hong Kong Limited in respect of such withdrawal; and (d) any one of the directors of the Company be and is hereby authorised to do all acts and things as considered by him to be necessary or desirable in connection with the implementation of the Proposal, including, without limitation,

the giving of consent to any modification of, or addition to, the Scheme, which the Court may see fit to impose and to do all other acts and things as considered by him to be necessary or desirable in connection with the Proposal or in order to give effect to the Proposal.”

By Order of the Board  
**Dickson Concepts (International) Limited**  
**Or Suk Ying, Stella**  
*Company Secretary*

Hong Kong, 25 June 2025

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head Office and Principal place of business:*

4th Floor, East Ocean Centre  
98 Granville Road  
Tsimshatsui East  
Kowloon, Hong Kong

*Notes:*

1. Unless otherwise defined in this notice or the context otherwise requires, terms defined in the Scheme Document of which this notice forms part shall have the same meanings when used in this notice.
2. All resolutions put to vote at the SGM will be decided by way of poll pursuant to the Listing Rules and the Takeovers Code.
3. Any member of the Company entitled to attend and vote at the SGM is entitled to appoint another person as his/her proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company. If more than one proxy is appointed, the number of shares of the Company in respect of which each such proxy is appointed must be specified in the relevant form of proxy. Every member present in person or by proxy shall be entitled to one vote for each share held by him or her.
4. In order to be valid, the **WHITE** form of proxy for use at the SGM must be duly completed and signed in accordance with the instructions printed thereon and deposited together with the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, at the Company's branch share registrar and transfer agent in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 11:30 a.m. on Wednesday, 16 July 2025 or not less than 48 hours before the time for holding the SGM or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the SGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. For the purpose of determining the entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Tuesday, 15 July 2025 to Friday, 18 July 2025 (both days inclusive) and, during such period, no transfer of shares of the Company will be effected. In order to qualify to attend and vote at the SGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer agent in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by no later than 4:30 p.m. on Monday, 14 July 2025.

6. Where there are joint holders of any share of the Company, any one of such persons may vote at the SGM either in person or by proxy, in respect of such share of the Company as if he were solely entitled thereto, but if more than one of such joint holders is present at the SGM in person or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of such joint holding.
7. If any severe weather condition is in force in Hong Kong at any time after 8:00 a.m. (Hong Kong time) on the date of the SGM, the SGM will be adjourned or postponed in accordance with the memorandum of association and amended and restated bye-laws of the Company. The Company will post an announcement on the respective websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.dickson.com.hk](http://www.dickson.com.hk) to notify the Shareholders of the date, time and venue of the rescheduled SGM.
8. References to time and dates in this notice are to Hong Kong time and dates.

*As at the date of this notice, the Board comprises Sir Dickson Poon (Group Executive Chairman), Poon Dickson Pearson Guanda (Chief Operating Officer), Chan Hon Chung, Johnny Pollux and Lau Yu Hee, Gary as executive Directors; and Bhanusak Asvaintra, Nicholas Peter Etches, Fung Yue Ming, Eugene Michael and Lam Sze Wan Patricia as independent non-executive Directors.*