



歐化國際有限公司
Uferts International Limited

ULFERTS INTERNATIONAL
ANNOUNCES ITS FIRST RESULTS AFTER LISTING
REVENUE GROWS 15% TO HKD260M

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SETS A NEW RETAIL LINE “at · home”
STRIVES TO EXPAND RETAIL FOOTPRINT

Financial Summary

HK\$'000	For the year ended 31 March	
	2018	2017
Revenue	258,553	224,331
Gross Profit	163,922	145,304
Net profit	8,477	30,145

(Hong Kong, 28 June 2018) — **Uferts International Limited** (“**Uferts International**” or “the Group”, Stock Code: 1711.HK), a well-known furniture retailer in Hong Kong, announced its 2017/18 annual results for the year ended 31 March 2018 (the “Year”), which was the first set of results announcement following its listing.

In line with the expansion of store network and increasing demand for quality home furniture, the Group’s total revenue registered growth of 15.3% to HK\$258.6 million (2017: HK\$224.3 million) during the Year. Revenue of the retail segment increased by 15.1% to HK\$239.3 million (2017: HK\$207.9 million) and remained a key revenue contributor, accounting for 92.6% (2017: 92.6%) of the Group’s revenue. Gross profit grew by 12.8% to HK\$163.9 million (2017: HK\$145.3 million). Due to an increase of purchase price of the furniture products amid the appreciation of Euro dollars, the gross profit margin slightly decreased to 63.4% (2017: 64.8%).

The Group’s net profit was HK\$8.5 million (2017: HK\$30.1 million). The decline in net profit was primarily due to the recognition of the one-off listing expenses, as well as the increase of rental expense and overhead arising from new point-of-sale (“POS”) and the softened performance of gross profit margin. The listing expenses mainly comprised of legal and other professional fees in connection with the initial public offering.

Retail Business

“**Ulferts**” showrooms are strategically located in either upscale residential areas or major shopping areas, targeting middle to high income groups. Meanwhile, the “**Eurodecor**” store is located in Happy Valley, a traditional luxury residential area clustering with high-end furniture shops. The solid presence in these mature locations with resilient foot traffic enables the Group to enjoy more visitations and a high brand reputation. The Group carries around 50 furniture brands in “**Ulferts**” showrooms and “**Eurodecor**” store, offering furniture products which are imported from European and Asian countries. The Group has also built long-standing relationships with international brands such as Himolla, Gamma, Nicolettihome, Kristalia and Domicil.

The Group also operates “**Dormire**” specialty stores for the retail of products under its self-owned label “**Ulfenbo**”, offering mattresses, pillows, sofas, sofabeds, adjustable beds, as well as other ancillary items such as mattress protectors and mattress toppers.

As at 31 March 2018, the Group operated 16 POS (2017: 12) in Hong Kong, namely 6 “**Ulferts**” showrooms, 9 “**Dormire**” specialty stores or department store counters, and 1 “**Eurodecor**” store. During the Year, the Group newly added 5 POS, which included 1 “**Ulferts**” showroom in Telford Plaza and 4 “**Dormire**” specialty stores or store counter in different regions in Kowloon and the New Territories. The new POS have yielded a positive impact on the Group’s sales performance.

The Group strives to enhance customer’s shopping experience and the salesforce is well-trained. In recognition of its service excellence, the Group was awarded the “Service Retailer of the Year 2017” in Furniture & Home Accessories Category, in the Mystery Shoppers Programme organised by the Hong Kong Retail Management Association (“HKRMA”). In addition, the Group earned several accolades in the “2017 Service & Courtesy Award” of the HKRMA, namely the “Best Team Performance Award – Silver Award” (in retail industry), the “Winner of Supervisory Level” (in Furniture & Home Accessories Category) and the “Winner of Junior Frontline Level” (in Furniture & Home Accessories Category).

Wholesale Business

The Group also operates wholesale business of mattresses, sofabeds and sofas under its self-owned label “**Ulfenbo**” through about 260 dealers in Hong Kong and Macau. Based on its long establishment and quality products, the “**Ulfenbo**” brand has been recognised by the “Hong Kong Top Brand Mark” for four consecutive years since 2014, under the Hong Kong Top Brand Scheme organised by the Chinese Manufacturers Association of Hong Kong and Hong Kong Brand Development Council.

During the Year, the Group appointed Ms. Kelly Cheung, a famous artiste and an internet sensation, as the brand ambassador for “**Ulfenbo**” products. The endorsement would present a fresh image for the “**Ulfenbo**” brand.

Mr. Ricky Ng, Executive Director & Chief Executive Officer of Ulferts International, said, “Ulferts International has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since January 2018, facilitating our access to the international capital market. The successful listing has commenced a new chapter in the history of the Group’s development. This is our first annual report since the listing of Ulferts International. We are pleased with the significant topline growth, which was achieved through proactive expansion of retail network in the Year.”

Mr. Ng continued, “With steady growth in number of households and increasing housing demand, we stay positive towards the home furniture retail market. Serving the trend towards smaller home sizes of modern families, we intend to diversify into small and compact furniture products with special features and functions, hereby capturing the market potential. In this regard, the Group is launching a new retail line of stores gearing towards mid-range segment, and is planning to open at least 1 store under “**at · home**” in the second half of 2018. Meanwhile, the Group continues to expand its retail footprint by opening one “**Ulferts Signature**” showroom, a premium line of “**Ulferts**”, and at least one “**Dormire**” specialty store, in the second half of 2018.”

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About Ulferts International Limited

Established for over 40 years, Ulferts International is a well-known furniture retailer and currently operates more than ten POS in Hong Kong under “**Ulferts**”, “**Dormire**” and “**Eurodecor**” retail lines, as well as online shopping platforms. Dedicated to supply high quality, stylish and affordable furniture for transforming into ideal homes, “**Ulferts**” and “**Eurodecor**” offered around 50 furniture brands (some of which are international brands) imported from different suppliers in Europe and Asia, covering a wide variety of contemporary style furniture products targeted for middle to high income group. Meanwhile, its self-owned brand, “**Ulfenbo**”, mainly offers mattresses and sofas through wholesaling to dealers and retailing under “**Dormire**” speciality stores. In recognition of its commitment to service excellence, Ulferts International was awarded the “Best Team Performance Award – Silver Award” in the “2017 Service & Courtesy Award” organised by Hong Kong Retail Management Association. For more information, please visit its website: www.ulfertsintl.com.

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