



ANNOUNCES 2019/20 INTERIM RESULTS

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IMPLEMENT STRINGENT COST CONTROL AMID RETAIL SLUMP

Financial Summary

HK\$'000	For the six months ended 30 September	
	2019	2018
Revenue	113,796	107,995
<i>Retail</i>	105,247	101,116
<i>Wholesale & Special projects</i>	8,549	6,879
Gross profit	69,344	68,276
Net (loss)	(10,324)	(7,215)

(Hong Kong, 29 November 2019) — **Uiferts International Limited** (“Uiferts International” or the “Group”, Stock Code: 1711.HK), a well-known furniture retailer in Hong Kong, today announced its interim results for the six months ended 30 September 2019 (the “Period”).

Due to the unresolved US-China trade war and ongoing social unrest, which led to weak market consumption sentiment, the Group's overall sales performance deteriorated during the Period. Despite the increase in the number of stores, both the Group's total revenue and gross profit remained at similar levels as same period last year, and were HK\$113.8 million (2018: HK\$108.0 million) and HK\$69.3 million (2018: HK\$68.3 million) respectively. Under-performance of the overall sales, as well as an increase in rental costs and operating expenses, have led to a net loss for the Period of HK\$10.3 million (2018: HK\$7.2 million).

Retail Business

Revenue of the retail segment amounted to HK\$105.2 million (2018: HK\$101.1 million), accounting for 92.5% (2018: 93.6%) of the Group's revenue. Among the retail revenue, aggregate sales of “**Uiferts**” and “**Uiferts Signature**” amounted to HK\$82.9 million (2018: HK\$82.9 million), and remained the key revenue contributor, accounting for 78.7% (2018: 82.0%) of total retail revenue.

As at 30 September 2019, the Group had 20 POS (31 March 2019: 20) in Hong Kong, including 1 “**Ulferts Signature**” showroom, 6 “**Ulferts**” showrooms, 3 “**at • home**” stores, and 10 “**Dormire**” specialty stores and department store counters.

“**Ulferts**” showrooms are strategically located in either upscale residential areas or major shopping areas, targeting middle to high income groups. The Group’s largest flagship store, “**Ulferts Signature**”, is a 3-storey store with gross floor area of approximately 21,700 square feet, in Hung Hom. It features more luxurious lines of furniture and masterpieces with sophisticated finishing and excellent craftsmanship. Meanwhile, the Group is currently operating 10 “**Dormire**” specialty stores and department store counters, all of which are situated in residential areas, in order to capitalise on the market potential.

As at 30 September 2019, there were 3 “**at • home**” stores, strategically established in Discovery Park in Tsuen Wan, HomeSquare in Shatin and Lee Garden Three in Causeway Bay. All have been well-received by local residents and shoppers. Subsequent to the Period, the Group has expanded the retail network of “**at • home**” to MegaBox in Kowloon Bay, further strengthening its market presence.

Wholesale Business

The Group operates wholesale business of mattresses, sofabeds and sofas under its self-owned label “**Ulfenbo**” through over 200 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 five consecutive years since 2014, under the Hong Kong Top Brand Mark Scheme organised by The Chinese Manufacturers’ Association of Hong Kong and Hong Kong Brand Development Council.

Mr. Ricky Ng, Executive Director & Chief Executive Officer of Ulferts International, said, “Owing to uncertain economic conditions and local social issues, Hong Kong retail sector has been undergoing a tough cycle and there is no exception for Ulferts International. In order to mitigate the adverse impact on business operations, the Group will continue enhancing its operational efficiencies through prudent control of inventories, stringent control of rental cost and other operating expenses. In the meantime, the Group foresees small apartments will be the focus of the supply of residential units, subsequent to the latest amendment of mortgage policy. The Group will therefore strive to enhance its ‘**at • home**’ retail line, which meets the demand for fusing design and function in small living spaces.”

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About Ulferts International Limited (1711.HK)

Established for over 40 years, Ulferts International is a well-known furniture retailer in Hong Kong dedicated to supplying high quality, stylish and affordable furniture for transforming living spaces into ideal homes. Ulferts International currently operates a few retail lines in Hong Kong including “**Ulferts Signature**”, “**Ulferts**”, “**at • home**”, and “**Dormire**”. In addition, several online shopping platforms are available for maximizing market coverage. “**Ulferts Signature**”, “**Ulferts**” and “**at • home**” offer more than 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 targeting middle to high income group. Meanwhile, its self-owned brand, “**Ulfenbo**”, mainly offers mattresses, pillows and sofas through wholesaling to dealers and retailing under “**Dormire**” speciality stores. In recognition of its service excellence, the Group was awarded one of the “Quarterly Service Leaders” in Furniture & Home Accessories Category during April to June and July to September 2019, in the Mystery Shoppers Programme organised by the Hong Kong Retail Management Association. For more information, please visit its website: www.ulfertsintl.com.

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