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## **International Housewares Retail Company Limited**

**國際家居零售有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1373)**

### **PROFIT WARNING**

This announcement is made by International Housewares Retail Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Company for the six months ended 31 October 2024 (the “**Period**”) and the information currently available to the Board, the Group is expected to record a decrease in profit attributable to owners of the Company for the Period within a range of approximately 31% to 38%, as compared to the profit attributable to owners of the Company of HK\$50,764,000 for the for the six months ended 31 October 2023 (the “**Corresponding Period**”).

The Board considers that the decrease in the profit attributable to owners of the Company for the Period as mentioned above is mainly attributable to the following factor(s):

The Group's revenue for the Period had a decline of approximately 4% compared to the Corresponding Period, mainly attributable to a shift in consumer behavior, with an increase in travel abroad and northward consumption. Consequently, spending within the local retail market has reduced under weak capital market conditions. Despite these challenges, we are encouraged by the Central Government's continuous to roll out series of new measures benefitting Hong Kong, including the resumption of the multiple-entry Individual Visit Scheme for Shenzhen residents, to further stimulate the local retail market, coupled with the HKSAR government's initiative to attract talent and increase housing supply in Hong Kong. In response to these positive developments, we are committed to swiftly adjusting our product assortment to align with these new measures, promising to create a convenient shopping experience for our customers as well as new revenue sources for the Group.

However, it's important to recognize the positive outcomes from our ongoing stringent cost control measures in mitigating these financial pressures, which include efforts in stringent budgeting, as well as optimizing and streamlining our workforce. In the progress of negotiation with landlords of lease agreements on 3-year lease term average, we anticipate that the benefits of these efforts during the renewal will unfold in the financial results within the next one to two years. In this regard, we are confident that these efforts are essential for our long-term financial performance and stability.

The Company has yet to finalise the interim results of the Group for the Period. The financial results of the Group for the Period will only be ascertained after all the relevant results and accounting treatments are finalised. The information in this announcement is only based on the Board's preliminary assessment of the information currently available to the Board and the unaudited consolidated management accounts of the Group for the Period, which has not been reviewed by the Company's Audit Committee and the Auditor. The information contained in this announcement may be different from the actual financial information to be published. Further details of the financial information of the Group will be disclosed in the interim results announcement and the interim report of the Company to be published in accordance with the Listing Rules. Shareholders and potential investors are advised to pay attention to the investment risks.

By Order of the Board  
**International Housewares Retail Company Limited**  
**NGAI Lai Ha**  
*Chairman and Executive Director*

Hong Kong, 10 December 2024

*As at the date of this announcement, the executive Directors are Ms. NGAI Lai Ha, Mr. LAU Pak Fai Peter and Mr. CHENG Sing Yuk, and the independent non-executive Directors are Mr. MANG Wing Ming Rene, Mr. NG Sze Yuen Terry and Mr. YEUNG Yiu Keung.*