

International Housewares Retail Company Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code: 1373

日本城 JHC

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2025/26
INTERIM REPORT

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Corporate Information

DIRECTORS

Executive Directors:

Ms. Ngai Lai Ha (*Chairman and Chief executive officer*)

Mr. Lau Pak Fai Peter (*Honorary Chairman*)

Mr. Cheng Sing Yuk (*Chief financial officer*)

Independent Non-executive Directors:

Mr. Mang Wing Ming Rene

Mr. Ng Sze Yuen, Terry

Mr. Yeung Yiu Keung

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

COMPANY SECRETARY

Mr. Cheung Chi Wai

HKICPA

REGISTERED OFFICE

Cricket Square, Hutchins Drive

PO Box 2681, Grand Cayman

KY1-1111, Cayman Islands

HONG KONG HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Wong Chuk Hang, Hong Kong

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LEGAL ADVISER

Deacons

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

DBS Bank (Hong Kong) Limited

Hang Seng Bank Limited

The Hongkong and Shanghai Banking Corporation Limited

SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor, Hopewell Centre

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Wanchai, Hong Kong

STOCK CODE

1373

COMPANY WEBSITE

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Financial Highlights

The board of directors (the “Board” or “Director(s)”) of International Housewares Retail Company Limited (the “Company”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the “Group” or “We”) for the six-month period ended 31 October 2025 (the “Period”) prepared in accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules” and the “Stock Exchange” respectively), together with comparative figures for the six-month period ended 31 October 2024 (“2024/25”).

- The Group’s revenue for the Period was HK\$1,196,901,000 (2024/25⁽¹⁾: HK\$1,270,635,000), representing a 5.8% decline.
- The profit attributable to owners of the Company for the Period was HK\$27,487,000 (2024/25: HK\$32,959,000), reflecting a decrease of 16.6%.
- The Group maintained a strong financial position with cash and cash equivalents of HK\$324,355,000 (30 April 2025: HK\$284,560,000).
- The Board has resolved to declare an interim dividend of HK3.0 cents per share.

Note:

1. Comparative figures for the six-month period ended 31 October 2024 are shown as (“2024/25”) in brackets.

Management Discussion and Analysis

Financial Performance

The Group's revenue for the Period was HK\$1,196,901,000 (2024/25: HK\$1,270,635,000), representing a 5.8% decline. This decrease indicated that Hong Kong's retail sector faced multifaceted challenges during the reporting Period. Mainland e-commerce operators leveraged economies of scale and cost advantages to capture greater local market share, while offline competitors engaged in aggressive promotional activities, intensifying competitive pressures. Concurrent shifts in consumer behavior, including the trends of cross-border consumption and outbound spending further reduced domestic consumption. The local market also exhibited signs of trading down, reflecting more deliberate and cost-sensitive purchasing decisions in the current economic climate. Furthermore, persistently high operating costs further compounded industry headwinds.

Notwithstanding these market-wide challenges, the Group executed its strategic plans with clarity and determination, sustaining both operational stability and profitability. The profit attributable to owners of the Company for the Period was HK\$27,487,000 (2024/25: HK\$32,959,000), reflecting a decrease of 16.6%. Supported by a sustainable historical earnings record, the Group continues to maintain robust cash flow and a stable dividend payout ratio.

Liquidity and Financial Resources

The Group reaffirms that its financial operations remain sustainable, with sound liquidity and prudent capital management. Despite the challenging market conditions, the Group continues to maintain profitability, robust cash flow and a stable dividend payout ratio. As at 31 October 2025, the Group had cash and cash equivalents amounting to HK\$324,355,000 (30 April 2025: HK\$284,560,000). The majority of the cash and bank deposits are denominated in Hong Kong dollars and are held with major banks in Hong Kong, with maturities of less than three months. This indicates that the Group prioritizes liquidity and cash flow, especially in uncertain economic times.

The Group followed a prudent treasury management policy and avoided highly leveraged or speculative derivative products by placing surplus cash mainly as Hong Kong dollar bank deposits with appropriate maturity periods to meet future funding requirements. As at 31 October 2025, the current ratio for the Group was 1.8 (30 April 2025: 1.7). Borrowings amounted to HK\$15,882,000 (30 April 2025: HK\$15,114,000). The Group was in a net cash position as at 31 October 2025. Its gearing ratio as determined by total borrowings and loans due to a non-controlling shareholder divided by total equity was 2.67% (30 April 2025: 2.61%).

Human Resources

Despite HKSAR government efforts to alleviate the labour shortage through measures like the Enhanced Supplementary Labour Scheme, businesses continue to struggle with high staff costs. In addition to following the local market salary requirements, accommodation, training fees, and recruitment fees for imported labor have all contributed to these increased expenses. In response, our Group has implemented stringent cost control measures, including strict budgeting and workforce optimization. Moreover, the Group has made timely adjustments in manpower deployment across different stores to control our total man-hours and the staff cost, along with in-store automation technologies to release manpower and workload to help streamline tasks and raise operational efficiencies. These efforts have successfully mitigated financial pressures, resulting in further of 9.3% reduction in total staff costs to HK\$180,915,000 (2024/25: HK\$199,383,000).

The Group regularly reviews its remuneration packages and rewards qualified employees with performance bonuses and share awards, taking into consideration the individual's performance. As at 31 October 2025, the Group had approximately 1,865 employees (at 31 October 2024: 2,070 employees).

Management Discussion and Analysis *(Continued)*

Distribution Network

Established in 1991, the Group offers housewares, trend-based items, health and wellness care, personal care, food and household FMCG through a comprehensive retail network comprising of around 350 stores in Hong Kong, Singapore, Macau, East Malaysia, Cambodia and Australia under renowned brands including JHC (日本城), Japan Home (日本の家), 123 by ELLA, \$SMART (多來買), City Life (生活提案) and Day Day Store (日記士多), as well as via the online platforms JHC eshop (日本城網購) and EasyBuy (易購點). Leveraging its extensive sourcing channels and portfolio of private label products, the Group provides a comprehensive range of items at competitive prices. The Group reinforces its position as an omni-channel retail chain of general merchandise stores (“GMS”) while evolving towards a daily convenience store model for customers, with the aim to provide a “one-stop” omnichannel shopping experience for customers.

Built on over three decades of resilience, it is evident that our Group's strong brand recognition and extensive retail network have served as the foundation for our stable and sustainable business scale and market share. In response to the HKSAR government's initiatives to attract talent and expand housing supply in Hong Kong, we must strategically plan the development of our store network to align with evolving demographic trends and housing availability. Concurrently, we are conducting a comprehensive review of our existing store network, pursuing rental cost negotiations, and phasing out underperforming locations to enhance operational efficiency.

The launch of our “Click & Collect” service on the “JHC eShop” and “Easy Buy” online platforms has transformed our retail stores into efficient fulfillment hubs for online orders. This initiative has expanded our product range, particularly for bulk items such as plastic storage solutions, furniture, and large electrical appliances. We believe these measures will further optimize retail space utilization, enabling greater flexibility in store location selection and improved control over rental expenses.

Looking ahead, the Group maintains a cautiously optimistic outlook for its medium-to long-term business prospects, with a continued focus on Hong Kong, Singapore, and Macau. Below is a summary of the Group's directly managed and licensed stores worldwide:

	As at 31 October 2025	As at 30 April 2025	Net (decrease)
The Group's Directly Managed Stores			
Hong Kong	295	306	(11)
Singapore	43	47	(4)
Macau	9	9	–
The Group's Licensed Stores	5	5	–
Total	352	367	(15)

Operational Review by Business Nature

The Group's business segments by nature include retail, wholesale, licensing and others.

The retail segment continued to be the primary revenue driver of the Group during the Period. The Group has continued to increase the variety of product offerings to help capture additional market opportunities and expand its customer base. These endeavors contributed to retail revenue reaching HK\$1,188,533,000 (2024/25: HK\$1,257,698,000), which also included consignment sales commission income that accounted for 99.3% (2024/25: 99.0%) of the Group's total revenue for the Period.

The income from the wholesale, licensing and others together decreased to HK\$8,368,000 for the Period (2024/25: HK\$12,937,000).

Management Discussion and Analysis *(Continued)*

Operational Review by Geographical Locations

Operational Review – Hong Kong and Macau

During the reporting Period, the Hong Kong retail sector continued to face multifaceted challenges. Mainland e-commerce operators leveraged economies of scale and cost advantages to capture greater local market share, while offline competitors engaged in aggressive promotional activities, intensifying competitive pressures. Concurrent shifts in consumer behavior, including the trends of cross-border consumption and outbound spending further reduced domestic consumption. The local market also exhibited signs of trading down, reflecting more deliberate and cost-sensitive purchasing decisions in the current economic climate. Furthermore, persistently high operating costs further compounded industry headwinds.

Notwithstanding these market-wide challenges, the Group executed its strategic plans with clarity and determination, sustaining both operational stability and profitability. The Group recorded revenue from Hong Kong of HK\$1,031,144,000 for the Period (2024/25: HK\$1,099,958,000), representing a decline of 6.3%. Hong Kong remains the Group's core market, contributing 86.2% (2024/25: 86.6%) of its total revenue.

Upholding our core strategy of “financial prudence and swift adaptation”, the Group is leading to enduring profitability in the Hong Kong market for ensuring stable dividend payout ratio. We maintain confidence in the long-term potential of the Hong Kong consumer market. We will continue our transformation to elevate the “JHC” brand, strengthening service marketing, operational efficiency, and omnichannel development. We will proactively confront challenges, seize opportunities, reinforce our core competitiveness, and propel the JHC brand toward a new and promising chapter.

On the other hand, the operations in Macau remained profitable and delivered satisfactory results for the Period, generating revenue of HK\$24,943,000 (2024/25: HK\$22,691,000). Although encountering challenges similar to those in the Hong Kong market, the Macau business exhibited strong resilience and operational efficiency, sustaining profitability while achieving revenue growth of approximately 9.9%. This represents effective operational management and underscores the business's positive outlook for long-term sustainability in this market.

Operational Review – Singapore

Singapore's revenue experienced a 4.8% decline for the Period, amounting to HK\$140,814,000 (2024/25: HK\$147,986,000).

Remaining committed to Singapore as a strategic market, we continue to focus on preserving market presence and strengthening brand recognition. In response to evolving local conditions and heightened operating cost pressures, the Group has implemented strategic measures to enforce stringent cost control measures and improve operational efficiency. We rigorously review and decisively adjust underperforming stores to ensure effective resource allocation.

To strengthen our market position, we are refining our product portfolio by emphasizing high-demand offerings and phasing out underperforming lines. This shift is anticipated to improve sales performance. We will keep adapting our assortment to align with changing customer preferences, supporting satisfaction and loyalty while driving sales and profitability. Introducing the Group's OEM products will further diversify our range, catering to varied customer needs and differentiating us in the marketplace.

Adherence to the Group sourcing plan enables competitive purchasing through collective buying power, securing favorable supplier terms. The resulting savings enhance our value proposition for customers. Leveraging Group-wide sourcing and supply chain infrastructure also streamlines operations, reduces lead times, and improves inventory management, allowing us to respond more effectively to market dynamics.

Supported by a more optimized product mix and rigorous cost management, the Group maintains a cautiously optimistic outlook for the Singapore market. Through agile strategy adjustment and executional focus, we are positioned to navigate the challenges of the retail environment.

Management Discussion and Analysis *(Continued)*

Prospects

I. Navigating Intense Market Competition through Accelerating Structural Reforms

During the reporting Period, the Hong Kong retail sector continued to face multifaceted challenges. Mainland e-commerce operators leveraged economies of scale and cost advantages to capture greater local market share, while offline competitors engaged in aggressive promotional activities, intensifying competitive pressures. Concurrent shifts in consumer behavior, including the trends of cross-border consumption and outbound spending further reduced domestic consumption. The local market also exhibited signs of trading down, reflecting more deliberate and cost-sensitive purchasing decisions in the current economic climate. Furthermore, persistently high operating costs further compounded industry headwinds.

Notwithstanding these market-wide challenges, the Group executed its strategic plans with clarity and determination, sustaining both operational stability and profitability while securing advances across key operational areas. Going forward, we will deepen our alignment with evolving consumer expectations by accelerating comprehensive reforms, with emphasis on service marketing, brand development, and shopping convenience.

To address strong demand for the best value, we have introduced “value-for-money” product selections and a “Lowest Prices” promotional strategy, aiming to create a “relaxed and pressure-free” shopping environment where customers can meet their daily needs at highly competitive prices. These initiatives have yielded measurable growth in store traffic.

In line with prevailing “convenience consumption and fast retail”, we will continue to expedite our reform efforts. We are expanding and optimizing our product assortment, raising the proportion of high-turnover consumables, and strategically rebalancing categories to introduce higher-margin offerings alongside traffic-driving essentials. Concurrently, we are accelerating new product launches to improve inventory turnover cycles.

II. Elevating the Brand through a Service-Consumption Platform and Enhanced Member Engagement

Building on the traffic growth driven by our “Best Buys” strategy, the Group will undertake a systematic brand elevation program in 2026, centered on a service-led consumption platform. This strategy seeks to deepen customer relationships through personalized engagement, thereby increasing retention and average spending. Initiatives include optimized store layouts and ambiance, enhanced frontline training to deliver attentive services, and introduce value-added services such as “Gold Member Exclusive Privileges”. By elevating transactional interactions into emotional connection experiences, we aim to convey the warmth and value of the JHC brand to foster greater customer allegiance, mitigate the effects of trading-down behavior, and reinforce long-term loyalty.

III. Strengthening OEM Product Development and Fostering Omnichannel Integration

To enhance product competitiveness and improve margin structure, the Group continues to expand and deepen the development of its OEM (Own Brand) products, offering customers assured quality, ease of choice, and reliable performance. This focus not only helps optimize our product portfolio and establish differentiated advantages but is also a key strategy in shaping the unique brand value of JHC. In parallel, we are actively refining our omni-channel presence. We continue to optimize our own e-commerce platform, “JHCeshop”, and deepen collaborations with third-party platforms such as Panda Mall and HKTVmall to further boost our marketing capabilities in e-commerce. By integrating the brand appeal of our physical stores with online channels, we are fostering mutual customer traffic flow and complementary experiences, progressively building an integrated “New Retail model”.

IV. Implementing rigorous Cost Control, and Data-Driven Operational Efficiency

Confronted with significant operating cost pressures, the Group continuously reviews all expenditures to identify savings opportunities. We have implemented stringent and comprehensive cost-control measures, conducting systematic reviews and optimizations across procurement, rentals, and human resources to ensure the efficient deployment of resources. Furthermore, by advancing operational automation and introducing technological tools, we are strengthening data analysis and application to enhance overall efficiency, and enable our teams to focus more on customer engagement and core marketing activities. This series of reform initiatives will form a solid foundation for the Group to maintain profitability and core competitiveness amidst intense competition.

Management Discussion and Analysis *(Continued)*

Looking Ahead

Market volatility and structural challenges are expected to persist. The Group, however, remains confident in its ability to navigate this landscape by staying agile and responsive to changing conditions. We will continue to advance strategic reforms, elevate brand equity, and reinforce capabilities in service marketing, operational excellence, and omnichannel execution. By confronting challenges proactively and capitalizing on emerging opportunities, we are positioned to sustain our competitive advantage. With focused execution and collective effort, we will lead our team with unwavering determination, steadily progressing toward new milestones.

Report on Review of Interim Financial Information



TO THE BOARD OF DIRECTORS OF INTERNATIONAL HOUSEWARES RETAIL COMPANY LIMITED
(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 10 to 31, which comprises the condensed consolidated interim balance sheet of International Housewares Retail Company Limited (the "Company") and its subsidiaries (together, the "Group") as at 31 October 2025 and the condensed consolidated interim statement of comprehensive income, the condensed consolidated interim statement of changes in equity and the condensed consolidated interim statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the HKICPA. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the HKICPA.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 19 December 2025

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Condensed Consolidated Interim Statement of Comprehensive Income

For the Six-Month Period ended 31 October 2025

		Unaudited Six-month period ended 31 October	
	Note	2025 HK\$'000	2024 HK\$'000
Revenue	6	1,196,901	1,270,635
Cost of sales	6	(651,651)	(673,954)
Gross profit		545,250	596,681
Other income	7	5,586	7,429
Other losses, net		(754)	(966)
Distribution and advertising expenses		(27,306)	(27,492)
Administrative and other operating expenses		(482,749)	(528,794)
Operating profit	8	40,027	46,858
Finance income		1,424	3,097
Finance expenses		(9,868)	(12,591)
Finance expenses, net		(8,444)	(9,494)
Profit before income tax		31,583	37,364
Income tax expense	9	(6,896)	(7,348)
Profit for the period		24,687	30,016
Other comprehensive income			
<i>Item that may be reclassified to profit or loss</i>			
Currency translation differences		1,081	853
Total comprehensive income for the period		25,768	30,869
Profit/(loss) for the period attributable to:			
– Owners of the Company		27,487	32,959
– Non-controlling interests		(2,800)	(2,943)
		24,687	30,016
Total comprehensive income/(loss) for the period attributable to:			
– Owners of the Company		28,528	33,672
– Non-controlling interests		(2,760)	(2,803)
		25,768	30,869
Earnings per share attributable to owners of the Company (expressed in HK cents per share)	10		
– Basic earnings per share		3.84	4.58
– Diluted earnings per share		3.83	4.57

The above condensed consolidated interim statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed Consolidated Interim Balance Sheet

As at 31 October 2025

	Note	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Assets			
Non-current assets			
Property, plant and equipment	12	194,246	195,825
Right-of-use assets	13	341,843	396,210
Investment properties	12	32,111	31,324
Intangible assets	12	30,029	30,135
Deferred income tax assets		4,682	4,665
Financial assets at fair value through profit or loss	5.2	7,893	7,770
Prepayments and deposits	14	47,214	53,695
		658,018	719,624
Current assets			
Inventories		366,565	374,675
Trade and other receivables, prepayments and deposits	14	109,951	115,459
Current income tax recoverable		—	2,912
Cash and cash equivalents		324,355	284,560
		800,871	777,606
Total assets		1,458,889	1,497,230
Equity			
Capital and reserves attributable to the owners of the Company			
Share capital and share premium	15	585,686	587,590
Reserves		295,141	277,861
		880,827	865,451
Non-controlling interests		(3,769)	(1,009)
Total equity		877,058	864,442
Liabilities			
Non-current liabilities			
Deferred income tax liabilities		501	501
Provision for reinstatement costs	17	4,596	4,757
Lease liabilities	13	136,623	169,285
Borrowings	18	5,686	6,250
		147,406	180,793
Current liabilities			
Trade and other payables	17	186,095	186,065
Contract liabilities	17	5,200	5,620
Loans due to a non-controlling shareholder of a subsidiary		7,544	7,449
Borrowings	18	10,196	8,864
Lease liabilities	13	218,151	240,945
Current income tax liabilities		7,239	3,052
		434,425	451,995
Total liabilities		581,831	632,788
Total equity and liabilities		1,458,889	1,497,230

The above condensed consolidated interim balance sheet should be read in conjunction with the accompanying notes.

Condensed Consolidated Interim Statement of Changes in Equity

For the Six-Month Period ended 31 October 2025

Unaudited					
	Note	Attributable to owners of the Company			Total equity HK\$'000
		Share capital and share premium HK\$'000	Reserves HK\$'000	Total HK\$'000	
At 1 May 2025 (audited)		587,590	277,861	865,451	(1,009) 864,442
Comprehensive income/(loss):					
Profit/(loss) for the period		–	27,487	27,487	(2,800) 24,687
Other comprehensive income:					
Currency translation differences		–	1,041	1,041	40 1,081
Total comprehensive income for the period		–	28,528	28,528	(2,760) 25,768
Transactions with owners:					
Employee share award scheme:					
– value of employee services	16	–	325	325	– 325
Purchase of treasury shares		–	(243)	(243)	– (243)
Repurchase and cancellation of shares		(1,904)	(594)	(2,498)	– (2,498)
Dividends	11	–	(10,736)	(10,736)	– (10,736)
Total transactions with owners		(1,904)	(11,248)	(13,152)	– (13,152)
At 31 October 2025 (unaudited)		585,686	295,141	880,827	(3,769) 877,058
At 1 May 2024 (audited)		589,517	299,839	889,356	4,352 893,708
Comprehensive income/(loss):					
Profit/(loss) for the period		–	32,959	32,959	(2,943) 30,016
Other comprehensive income:					
Currency translation differences		–	713	713	140 853
Total comprehensive income for the period		–	33,672	33,672	(2,803) 30,869
Transactions with owners:					
Employee share award scheme:					
– value of employee services	16	–	1,089	1,089	– 1,089
Dividends	11	–	(40,305)	(40,305)	– (40,305)
Total transactions with owners		–	(39,216)	(39,216)	– (39,216)
At 31 October 2024 (unaudited)		589,517	294,295	883,812	1,549 885,361

The above condensed consolidated interim statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Interim Statement of Cash Flows

For the Six-Month Period ended 31 October 2025

	Unaudited Six-month period ended 31 October	
	2025 HK\$'000	2024 HK\$'000
Cash flows from operating activities		
Cash generated from operations	225,794	204,232
Income tax refunded/(paid), net	165	(90)
Net cash inflow from operating activities	225,959	204,142
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,394)	(13,482)
Purchase of intangible assets	(1,613)	(5,888)
Prepayment for purchase of intangible assets	(1,068)	(135)
Proceeds from disposal of property, plant and equipment	586	21
Proceeds from disposal of right-of-use assets	351	–
Dividend received from financial assets at fair value through profit or loss	185	370
Interest received	1,470	3,548
Net cash outflow from investing activities	(14,483)	(15,566)
Cash flows from financing activities		
Repayments of lease liabilities	(159,139)	(175,733)
Proceeds from/(repayment of) bank borrowings, net	768	(2,472)
Interest paid	(373)	(478)
Dividends paid	(10,736)	(40,305)
Payment for shares repurchase	(2,498)	–
Purchase of treasury shares	(243)	–
Net cash outflow from financing activities	(172,221)	(218,988)
Net increase/(decrease) in cash and cash equivalents	39,255	(30,412)
Cash and cash equivalents at beginning of the period	284,560	338,501
Currency translation differences	540	(17)
Cash and cash equivalents at end of the period	324,355	308,072
Analysis of balances of cash and cash equivalents:		
– Cash at banks and on hand	198,446	195,812
– Short-term bank deposits with original maturity within three months	125,909	112,260
	324,355	308,072

The above condensed consolidated interim statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Condensed Consolidated Interim Financial Information

1 General information

International Housewares Retail Company Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in retail sales and trading of housewares products, trend-based items, personal care, food and household FMCG.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Group is controlled by Hiluleka Limited (incorporated in the British Virgin Islands). The ultimate controlling parties of the Group are Ms. Ngai Lai Ha and Mr. Lau Pak Fai, Peter.

This condensed consolidated interim financial information is presented in HK dollars (“HK\$”) and rounded to the nearest thousand HK\$ (“HK\$’000”), unless otherwise stated. This interim financial information has been approved by the Board of Directors of the Company on 19 December 2025.

This condensed consolidated interim financial information has been reviewed, but not audited.

2 Basis of presentation

This condensed consolidated interim financial information for the six-month period ended 31 October 2025 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

This condensed consolidated interim financial information does not include all the notes of the type of normally included in annual consolidated financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 30 April 2025, which were prepared in accordance with HKFRS Accounting Standards.

3 Accounting policies

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 30 April 2025, as described in those annual consolidated financial statements, except for estimation of income tax and the adoption of the new and amended standards and interpretations as set out below.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) Amended standard adopted by the Group

The Group has applied the following amended standard for the first time for the financial year beginning on 1 May 2025:

HKAS 21 and HKFRS 1 (Amendments) Lack of Exchangeability

The adoption of these amended standard did not have any material impact on the amounts recognised in prior or current periods.

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

3 Accounting policies *(Continued)*

(b) New and amended standards and interpretations have been issued but not yet adopted by the Group

The following new and amended standards and interpretations which have been issued but are not effective for the Group's financial year beginning on 1 May 2025 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Contracts Referencing Nature – dependent Electricity	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (Amendments)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Amendments to the Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the condensed consolidated financial statements, its impact on presentation and disclosure are expected to be pervasive, in particular those related to the condensed consolidated statement of comprehensive income and providing management-defined performance measures within the condensed consolidated financial statements. Management is currently assessing the detailed implications of applying the new standard on the Group's condensed consolidated financial statements.

The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

The Group will adopt the above new standards, amendments to existing standards and interpretation when they become effective. The Group has already commenced an assessment of the related impact of adopting the above new standards, amendments to existing standards and interpretation, and except for HKFRS 18, none of the others are expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

4 Estimates

The preparation of this condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 30 April 2025.

5 Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk, liquidity risk and price risk. The Group's overall risk management procedures focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the Group's financial performance.

This condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 30 April 2025. There have been no significant changes in the risk management policies since 30 April 2025.

5.2 Fair value estimation

The carrying amounts of the financial asset including financial asset at fair value through profit or loss, trade and other receivables, deposits, bank deposits with initial terms of over three months, cash and cash equivalents; financial liabilities including loans due to a non-controlling shareholder of a subsidiary, trade and other payables, borrowings and lease liabilities approximate their fair value. The fair values of investment properties that are not traded in an active market are determined by using valuation techniques.

The disclosure of the investment properties that are measured at fair value is set out in Note 12.

Financial instruments carried at fair value are analysed by valuation method. The different levels have been defined as follows:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2: inputs other than quoted prices that are observable for the asset or liability, either directly (for example, as prices) or indirectly (for example, derived from prices).
- (iii) Level 3: inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

5 Financial risk management *(Continued)*

5.2 Fair value estimation *(Continued)*

The following table presents the Group's financial assets that are measured at fair value at 31 October 2025 and 30 April 2025.

	Level 1 HK\$'000	Unaudited Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
At 31 October 2025				
Financial asset at fair value through profit or loss				
– Hong Kong listed equity securities	7,893	–	–	7,893
At 30 April 2025				
Financial asset at fair value through profit or loss		Audited Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
– Hong Kong listed equity securities	7,770	–	–	7,770

The financial asset was denominated in HK\$.

During the six-month period ended 31 October 2025, there were no transfers between levels 1, 2 and 3, and no change in recurring fair value measurements (during the six-month period ended 31 October 2024: same).

6 Segment information

The chief operating decision-maker has been identified as the executive directors of the Company. The executive directors review the Group's internal reporting in order to assess performance and allocate resources and have determined the operating segments based on these reports.

The executive directors considered the nature of the Group's business and determined that the Group has the following reportable operating segments:

- (i) Retail – Hong Kong and Macau*
Retail – Singapore*
- (ii) Wholesales, licencing and others

The executive directors assess the performance of the operating segments based on revenue and gross profit percentage of each segment.

* Including consignment sales commission income.

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

6 Segment information *(Continued)*

The segment information provided to the executive directors for the reportable segments for the six-month period ended 31 October 2025 is as follows:

	(Unaudited)			
	Retail		Wholesales, licencing and others	Total
	Hong Kong and Macau HK\$'000	Singapore HK\$'000	HK\$'000	HK\$'000
Segment revenue (all from external customers)	1,047,719	140,814	8,368	1,196,901
Cost of sales	(569,190)	(77,470)	(4,991)	(651,651)
Segment results	478,529	63,344	3,377	545,250
Gross profit %**	45.67%	44.98%	40.36%	45.56%
Other income				5,586
Other losses, net				(754)
Distribution and advertising expenses				(27,306)
Administrative and other operating expenses				(482,749)
Operating profit				40,027
Finance income				1,424
Finance expenses				(9,868)
Profit before income tax				31,583
Income tax expense				(6,896)
Profit for the period				24,687

The segment information provided to the executive directors for the reportable segments for the six-month period ended 31 October 2024 is as follows:

	(Unaudited)			
	Retail		Wholesales, licencing and others	Total
	Hong Kong and Macau HK\$'000	Singapore HK\$'000	HK\$'000	HK\$'000
Segment revenue (all from external customers)	1,109,712	147,986	12,937	1,270,635
Cost of sales	(581,867)	(83,720)	(8,367)	(673,954)
Segment results	527,845	64,266	4,570	596,681
Gross profit %**	47.57%	43.43%	35.33%	46.96%
Other income				7,429
Other losses, net				(966)
Distribution and advertising expenses				(27,492)
Administrative and other operating expenses				(528,794)
Operating profit				46,858
Finance income				3,097
Finance expenses				(12,591)
Profit before income tax				37,364
Income tax expense				(7,348)
Profit for the period				30,016

** Gross profit % is calculated by gross profit (segment results) divided by revenue (segment revenue).

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

6 Segment information *(Continued)*

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the six-month period ended 31 October 2025 and 2024. The accounting policies of the reportable segments are the same as the Group's accounting policies.

During the six-month period ended 31 October 2025, revenues include sales of goods of HK\$1,196,235,000 (during the six-month period ended 31 October 2024: HK\$1,269,460,000), revenue arising from customer loyalty programme of HK\$219,000 (during the six-month period ended 31 October 2024: HK\$593,000) and consignment sales commission of HK\$447,000 (during the six-month period ended 31 October 2024: HK\$582,000).

The revenue from the Group's largest customer accounted for less than 10% of the Group's total revenue for the six-month period ended 31 October 2025 and 2024.

All of the Group's revenues are recognised at a point in time for the six-month period ended 31 October 2025 and 2024.

The following tables present segment assets and liabilities as at 31 October 2025 and 30 April 2025 respectively:

	Unaudited As at 31 October 2025			Total HK\$'000
	Retail Hong Kong and Macau HK\$'000	Singapore HK\$'000	Wholesales, licencing and others HK\$'000	
Segment assets	943,304	141,050	5,494	1,089,848
Segment liabilities	478,165	81,994	6,388	566,547

	Audited As at 30 April 2025			Total HK\$'000
	Retail Hong Kong and Macau HK\$'000	Singapore HK\$'000	Wholesales, licencing and others HK\$'000	
Segment assets	988,525	171,052	6,422	1,165,999
Segment liabilities	505,937	109,529	6,320	621,786

Segment assets include intangible assets, property, plant and equipment, right-of-use assets, trade and other receivables, prepayments and deposits and inventories. Segment liabilities include provision for reinstatement costs, lease liabilities, borrowings, trade and other payables and contract liabilities.

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

6 Segment information *(Continued)*

The following tables present segment assets and liabilities as at 31 October 2025 and 30 April 2025 respectively.

A reconciliation of segment assets to total assets is provided as follows:

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Segment assets	1,089,848	1,165,999
Investment properties	32,111	31,324
Financial assets at fair value through profit or loss	7,893	7,770
Deferred income tax assets	4,682	4,665
Current income tax recoverable	—	2,912
Cash and cash equivalents	324,355	284,560
Total assets	1,458,889	1,497,230

A reconciliation of segment liabilities to total liabilities is provided as follows:

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Segment liabilities	566,547	621,786
Deferred income tax liabilities	501	501
Loans due to a non-controlling shareholder of a subsidiary	7,544	7,449
Current income tax liabilities	7,239	3,052
Total liabilities	581,831	632,788

Revenue from external customers in Hong Kong, Singapore and Macau are as follows:

	Unaudited Six-month period ended 31 October 2025 HK\$'000	2024 HK\$'000
Hong Kong	1,031,144	1,099,958
Singapore	140,814	147,986
Macau	24,943	22,691
	1,196,901	1,270,635

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

6 Segment information *(Continued)*

Non-current assets, other than intangible assets and deferred income tax assets, of the Group are located as follows:

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Hong Kong	468,492	499,342
Mainland China	39,297	38,504
Singapore	67,326	94,009
Macau	48,192	52,969
	623,307	684,824

7 Other income

	Unaudited Six-month period ended 31 October 2025 HK\$'000	2024 HK\$'000
Advertising and promotion income	4,341	4,803
Sub-leasing rental income	99	187
Rental income	269	304
Dividend income	185	370
Government grant (Note)	543	1,627
Sundry income	149	138
	5,586	7,429

Note:

These primarily represented government subsidies in relation to subsidies of approximately HK\$364,000 received under the Progressive Wage Credit Scheme of the Government of Singapore during the six-month period ended 31 October 2025 (during the six-month period ended 31 October 2024: HK\$1,438,000).

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

8 Operating profit

The following items have been charged to the operating profit during the six-month period ended 31 October 2025 and 2024:

	Unaudited Six-month period ended 31 October	
	2025	2024
	HK\$'000	HK\$'000
Employee benefit expenses (including directors' emoluments)	180,915	199,383
Short-term lease expenses (Notes 13(b))	50,551	48,315
Depreciation of property, plant and equipment (Note 12)	14,959	16,742
Depreciation of right-of-use assets (Note 13(b))	148,328	164,962
Amortisation of intangible assets (Note 12)	1,824	2,258
Provision for slow moving and near-expiry inventories	1,000	900
Loss on disposal of property, plant and equipment	871	226
Fair value (gain)/loss on financial asset at fair value through profit or loss	(123)	739
Net exchange (gain)/losses	(1,607)	1,068

9 Income tax expense

During the six-month period ended 31 October 2025 and 2024, Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit. Overseas profits tax has been provided at the standard tax rate of the respective entities according to local tax laws.

	(Unaudited) Six-month period ended 31 October	
	2025	2024
	HK\$'000	HK\$'000
Hong Kong profits tax		
– Current year	6,933	7,330
Overseas taxation		
– Current year	8	7
– Over-provision in prior years	(28)	(12)
	6,913	7,325
Deferred income tax	(17)	23
Income tax expense	6,896	7,348

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

10 Earnings per share

(a) Basic

The calculation of basic earnings per share is based on the consolidated profit attributable to owners of the Company and on the weighted average number of shares in issue during the period.

	(Unaudited) Six-month period ended 31 October	
	2025	2024
Profit attributable to owners of the Company (HK\$'000)	27,487	32,959
Weighted average number of ordinary shares in issue (in thousands) (Note)	716,584	719,718
Basic earnings per share attributable to owners of the Company (HK cents per share)	3.84	4.58

Note:

Weighted average number of ordinary shares in issues are adjusted by the treasury shares held for share award scheme as such shares are not available in the market.

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary share: share options and share awards. The number of shares that would have been issued assuming the vesting of share awards and exercise of the share options less the number of shares that could have been issued at fair value (determined as the average market price per share for the year) for the same total proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share.

	(Unaudited) Six-month period ended 31 October	
	2025	2024
Profit attributable to owners of the Company (HK\$'000)	27,487	32,959
Weighted average number of shares for diluted earnings per share (in thousands)	717,097	720,668
Diluted earnings per share attributable to owners of the Company (HK cents per share)	3.83	4.57

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

11 Dividends

During the six-month period ended 31 October 2025, a final dividend totaling HK\$10,736,000 in relation to the year ended 30 April 2025 was declared and paid.

On 19 December 2025, the Board resolved to declare an interim dividend of HK3.0 cents (2024/25: interim dividend paid of HK4.0 cents) per share, totaling HK\$21,397,000 (2024/25: HK\$28,800,000). The proposed dividend has not been recognised as a liability in this interim financial information but will be reflected as an appropriation of retained profits for the year ending 30 April 2026.

12 Property, plant and equipment, investment properties and intangible assets

			Intangible assets				
	Property, plant and equipment HK\$'000	Investment properties HK\$'000	Trademark HK\$'000	Goodwill HK\$'000	Computer software HK\$'000	Sub Total HK\$'000	Total HK\$'000
Six-month period ended 31 October 2025							
Net book value							
As at 1 May 2025 (audited)	195,825	31,324	17,315	5,931	6,889	30,135	257,284
Additions	14,585	–	–	–	1,613	1,613	16,198
Disposals	(1,457)	–	–	–	–	–	(1,457)
Depreciation and amortisation (Note 8)	(14,959)	–	(330)	–	(1,494)	(1,824)	(16,783)
Exchange difference	252	787	105	–	–	105	1,144
As at 31 October 2025 (unaudited)	194,246	32,111	17,090	5,931	7,008	30,029	256,386
Six-month period ended 31 October 2024							
Net book value							
As at 1 May 2024 (audited)	210,895	32,191	17,402	5,931	3,627	26,960	270,046
Additions	13,916	–	–	–	5,888	5,888	19,804
Disposals	(247)	–	–	–	–	–	(247)
Depreciation and amortisation (Note 8)	(16,742)	–	(320)	–	(1,938)	(2,258)	(19,000)
Exchange difference	444	361	386	–	–	386	1,191
As at 31 October 2024 (unaudited)	208,266	32,552	17,468	5,931	7,577	30,976	271,794

The Group's investment properties were revaluated at 30 April 2025. No valuation was performed during the six-month period ended 31 October 2025 as there was no indication of significant changes in the values since previous annual reporting date.

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

13 Leases

(a) Amounts recognised in the condensed consolidated interim balance sheet

The condensed consolidated interim balance sheet shows the following amounts relating to right-of-use assets:

(i) Right-of-use assets

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Properties	339,199	392,848
Land use rights	2,627	2,610
Others	17	752
	341,843	396,210

Additions to the right-of-use assets during the six-month period ended 31 October 2025 were approximately HK\$94,332,000 (for the year ended 30 April 2025: HK\$171,433,000).

(ii) Lease liabilities

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Non-current	136,623	169,285
Current	218,151	240,945
	354,774	410,230

During the six-month period ended 31 October 2025 and 2024, the Group received other rent concession from landlords for certain leased properties which has been accounted for as lease modifications.

(b) Amounts recognised in the condensed consolidated interim statement of comprehensive income

The condensed consolidated interim statement of comprehensive income shows the following amounts relating to leases:

	Unaudited Six-month period ended 31 October 2025 HK\$'000	2024 HK\$'000
Depreciation of right-of-use assets (Note 8)		
– Properties	148,240	164,803
– Land use rights	48	48
– Others	40	111
Interest on lease liabilities	9,400	12,018
Expense relating to short-term leases (Note 8)	50,551	48,315
Loss on lease modification	(6)	–

The total cash outflow for leases for the six-month period ended 31 October 2025 was HK\$209,690,000 (six-month period ended 31 October 2024: HK\$224,048,000).

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

13 Leases *(Continued)*

(c) The Group's leasing activities and how these are accounted for

As a lessee

The Group leases various land, offices, warehouses, retail stores, apartments, office equipment and vehicle. Rental contracts are typically made for fixed periods of 1 to 5 years (2024: 1 to 5 years), but may have extension and termination options as described in (d) below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

(d) Extension and termination options

Extension and termination options are included in a number of land leases and property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

14 Trade and other receivables, prepayments and deposits

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Trade receivables, net	7,342	8,376
Prepayments	17,789	12,905
Deposits and other receivables	132,034	147,873
	157,165	169,154
Less: non-current portion		
Deposits	(45,334)	(52,869)
Prepayments	(1,880)	(826)
	(47,214)	(53,695)
Current portion	109,951	115,459

The Group conducts sales to customers on a cash-on-delivery basis for retail sales. At 31 October 2025 and 30 April 2025, the ageing analysis of trade receivables based on invoice date is as follows:

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Up to 3 months	7,312	8,364
3 to 6 months	30	12
	7,342	8,376
Less: provision for impairment of trade receivables	—	—
	7,342	8,376

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

15 Share capital and share premium

	Number of shares (thousands)	Share capital HK\$'000	Share premium HK\$'000	Total HK\$'000
As at 1 May 2024 (audited) and 31 October 2024 (unaudited)	724,023	72,402	517,115	589,517
As at 1 May 2025 (audited)	722,223	72,222	515,368	587,590
Less: Cancellation of shares (Note)	(2,070)	(207)	(1,697)	(1,904)
As 31 October 2025 (unaudited)	720,153	72,015	513,671	585,686

Note:

During the six-month period ended 31 October 2025, 2,070,000 shares of the Company were cancelled and deducted from share capital and share premium. These shares were repurchased from the Hong Kong Stock Exchange at prices ranging from HK\$0.87 to HK\$0.97 per share, with an average price of HK\$0.92 per share. The total amount paid to acquire the shares was HK\$1,904,000.

16 Share award scheme

On 24 July 2015, a new share award scheme ("the Share Award Scheme") was approved and adopted by the Board of directors of the Company. Unless otherwise cancelled or amended, the Share Award Scheme will remain valid and effective for 10 years from the date of adoption.

The number of shares to be awarded under the Share Award Scheme throughout its duration is limited to 5% of the issued share capital of the Company from time to time. The maximum number of shares which may be granted to a selected employee under the scheme shall not exceed 1% of the issued share capital from time to time.

During the six-month period ended 31 October 2025, no shares were granted to selected participants pursuant to the Share Award Scheme (during the year ended 30 April 2025: 902,000).

As at 31 October 2025, 902,000 shares were outstanding (30 April 2025: 1,280,000).

During the six-month period ended 31 October 2025, 233,000 treasury shares were distributed to the participants whose share awards have been vested (during the year ended 30 April 2025: 572,000).

During the six-month period ended 31 October 2025, the trustee of the Share Award Scheme has purchased 300,000 shares of the Company on the Stock Exchange (during the year ended 30 April 2025: 300,000). The total amount paid to acquire the shares was HK\$243,000 (during the year ended 30 April 2025: HK\$282,000) and has been deducted from shareholder's equity.

Treasury shares held uncanceled are accounted for as a deduction of shareholders' equity. As at 31 October 2025, 4,315,000 treasury shares were held by the Group (30 April 2025: 3,715,000).

For the six-month period ended 31 October 2025, total expenses recognised in the condensed consolidated interim statement of comprehensive income for share award granted is approximately HK\$325,000 (for the six-month period ended 31 October 2024: HK\$1,089,000).

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

17 Trade and other payables, provision for reinstatement costs and contract liabilities

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Current		
Trade payables	141,199	135,345
Other payables and accruals	36,790	42,729
Deposits received	26	45
Provision for employee benefits	8,080	7,946
	186,095	186,065
Non-current		
Provision for reinstatement cost	4,596	4,757
	190,691	190,822
Contract liabilities		
Receipts in advance and cash coupons	3,558	3,979
Deferred revenue arising from customer loyalty programs	1,642	1,641
	5,200	5,620

The carrying values of trade and other payables approximate their fair values as at 31 October 2025 and 30 April 2025.

The ageing analysis of trade payables based on invoice date are as follows:

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
0-30 days	80,156	74,984
31-60 days	36,425	36,501
61-90 days	17,942	22,506
91-120 days	6,676	1,354
	141,199	135,345

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

18 Borrowings

	Unaudited As at 31 October 2025 HK\$'000	Audited As at 30 April 2025 HK\$'000
Non-current		
Mortgage loan, secured	5,686	6,250
Current		
Trust receipt loans, secured and contain a repayment on demand clause	9,132	7,828
Mortgage loan, secured	1,064	1,036
	10,196	8,864
	15,882	15,114

Interest expenses on the above borrowings for the six-month period ended 31 October 2025 are approximately HK\$373,000 (during the six-month period ended 31 October 2024: HK\$478,000).

As at 31 October 2025 and 30 April 2025, trust receipt loans are secured by corporate guarantees by the Company and its subsidiaries.

As at 31 October 2025 and 30 April 2025, mortgage loan is secured by properties in Hong Kong held by a subsidiary of the Company and also secured by corporate guarantees by the Company and one of its subsidiaries.

The Group has the following undrawn banking facilities:

	As at 31 October 2025 HK\$'000	30 April 2025 HK\$'000
Floating rates		
– expiring within one year	257,124	251,919

The facilities expiring within one year are annual facilities subject to review at various dates.

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

19 Contingent liabilities

The Group's banks have given guarantees in lieu of deposits of approximately HK\$24,144,000 as at 31 October 2025 (30 April 2025: HK\$28,470,000) to the Group's landlords and utility providers. These guarantees are counter indemnified by corporate guarantees and pledged deposits provided by certain subsidiaries.

20 Significant related party transactions

Other than those transactions or balances disclosed elsewhere in this condensed consolidated interim financial information, the following transactions were carried out with related parties in the normal course of the Group's business during the six-month period ended 31 October 2025 and 2024.

Ms. Ngai Lai Ha is a director of the related companies of the Group mentioned in (a)(i) and (b)(i) below during the six-month period ended 31 October 2025 and 2024.

(a) Sales of goods and services

		Unaudited Six-month period ended 31 October	
		2025	2024
	Note	HK\$'000	HK\$'000
(i) Management fee income:			
– JHC Investment Limited	(i)	13	13
– Mulan's Garden (HK) Limited	(i)	25	25
– Hong Sing Investment Limited	(i)	13	13
(ii) Sub-leasing rental income:			
– Radha Exports Pte. Ltd.	(ii)	80	78

(b) Purchase of goods and services

		Unaudited Six-month period ended 31 October	
		2025	2024
	Note	HK\$'000	HK\$'000
(i) Short-term lease expenses in respect of certain premises to related companies:			
– Mulan's Garden (HK) Limited	(iii)	2,712	2,754
– JHC Investment Limited	(iii)	1,248	1,266
– Hong Sing Investment Limited	(iii)	9,905	10,578
– Charm Rainbow Limited	(iii)	958	1,008
– Beauty Delight Limited	(iii)	786	786
– Hugo Grand Limited	(iii)	3,085	3,229
– Beauty Wellness Limited	(iii)	636	636
(ii) Purchase of goods from a related company			
– Radha Exports Pte. Ltd.	(i)	22,266	33,624
(iii) Interest expense to a non-controlling interest of a subsidiary			
– Union Way Trading Limited	(i)	95	95

Notes to the Condensed Consolidated Interim Financial Information *(Continued)*

20 Significant related party transactions *(Continued)*

(b) Purchase of goods and services *(Continued)*

Notes:

- (i) Management fee income, purchase of goods and interest expense were charged based on terms mutually agreed between the relevant parties.
- (ii) Sub-lease rental income was charged based on terms mutually agreed between the relevant parties.
- (iii) Short-term lease expenses were charged based on terms mutually agreed between the relevant parties.

(c) Key management compensation

Key management includes directors and senior managements. The compensation paid or payable to key management for employee services is shown below:

	Unaudited Six-month period ended 31 October	
	2025	2024
	HK\$'000	HK\$'000
Short-term employee benefits	4,905	4,759
Post-employment benefits – defined contribution plans	27	30
Other long-term benefits	–	129
	4,932	4,918

Other Information

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 October 2025, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name and Category	Capacity/ Nature of Interest	Number of shares of the Company	Number of underlying shares of the Company – Share Award (Note 4)	Total interest (Note 1)	Approximate percentage of shareholding as at 31 October 2025*
Directors					
Ms. Ngai Lai Ha	Interest in a controlled corporation	324,000,000 (Note 2)	–	361,902,000	50.25%
	Personal interest	37,902,000	–		
Mr. Lau Pak Fai Peter	Interest in a controlled corporation	324,000,000 (Note 3)	–	357,980,000	49.71%
	Personal interest	33,980,000			
Mr. Cheng Sing Yuk	Personal interest	1,678,000	110,000	1,788,000	0.25%
Mr. Mang Wing Ming Rene	Personal interest	424,000	–	424,000	0.06%

* The percentage was calculated based on 720,153,000 shares in issue as at 31 October 2025.

Notes:

- All the above shares and underlying shares are long position.
- Ms. Ngai Lai Ha is deemed to have interests in 324,000,000 shares beneficially owned by Hiluleka Limited, by virtue of her controlling shareholding (i.e. 50%) in Hiluleka Limited.
- Mr. Lau Pak Fai Peter is deemed to have interests in 324,000,000 shares beneficially owned by Hiluleka Limited, by virtue of his controlling shareholding (i.e. 50%) in Hiluleka Limited.
- These represent the shares granted by the Company under the Share Award Scheme (as defined in the section headed "Share Award Scheme" of this report).

Save as disclosed above, none of the Directors or chief executives of the Company had, as at 31 October 2025, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Other Information *(Continued)*

Substantial Shareholders' Interests in Shares and Underlying Shares

As at 31 October 2025, shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name	Capacity/Nature of Interest	Number of shares of the Company (Note 1)	Approximate percentage of shareholding as at 31 October 2025*
Hiluleka Limited	Beneficial owner	324,000,000 (Note 2)	44.99%
Webb, David Michael and Webb, Karen Anne	Interest of corporation controlled by substantial shareholders	62,813,000 (Note 3)	8.72%
Preferable Situation Assets Limited	Beneficial owner	36,790,100 (Note 3)	5.11%

* The percentage was calculated based on 720,153,000 shares in issue as at 31 October 2025.

Notes:

1. All the above shares are long position.
2. The shares are taken to have a duty of disclosure as described in Notes (2) and (3) under the section headed "Directors' and chief executives' interests and short positions in shares, underlying shares and debentures".
3. Mr. Webb David Michael and Ms. Webb Karen Anne are beneficial owners of Preferable Situation Assets Limited and Member One Limited. Mr. Webb David Michael and Ms. Webb Karen Anne are therefore deemed to be interested in the 36,790,100 Shares held by Preferable Situation Assets Limited and the 26,022,900 shares held by Member One Limited for the purpose of Part XV of the SFO.

Save as disclosed above, as at 31 October 2025, the Company had not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Other Information *(Continued)*

Share Award Scheme

The Share Award Scheme was adopted by the Board on 24 July 2015 (the “Adoption Date” and the “Share Award Scheme” respectively) to recognise the contributions by the Group’s employees (including without limitation any Director) and to provide them with incentives in order to retain them for their continual operation and development of the Group; and to attract suitable personnel for further development of the Group. Subject to any early termination as may be determined by the Board pursuant to the rules and trust deed of the Share Award Scheme, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date. Pursuant to the scheme rules, the Board has the authority to renew the Share Award Scheme. As disclosed in the announcement of the Company dated 24 July 2025, the Board has approved the renewal of the Share Award Scheme for a further term of ten years, effective from 24 July 2025 until 23 July 2035.

The nominal value of the shares of the Company to be awarded under the Share Award Scheme throughout its duration is limited to 5% of the issued share capital of the Company from time to time. The maximum number of shares of the Company which may be granted to selected participants under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

Bank of Communications Trustee Limited has been appointed as the trustee of the Share Award Scheme (“Trustee”). Pursuant to the scheme rules and the trust deed entered into with the Trustee, the Trustee shall purchase from the market for the relevant number of existing shares of the Company out of cash contributed by the Company and held on trust for the selected participants until such shares are vested with the relevant selected participants. No new Shares will be granted, allotted and issued under the Share Award Scheme. It does not constitute a scheme involving the issue of new shares as referred to in Chapter 17 of the Listing Rules.

The following table discloses movements of the awarded shares of the Company held by the Company’s Director or employees during the Period:

Name and Category of participants	Date of grant	The closing price of the shares immediately before the date on which the options or awards were granted	Vesting prices of awarded shares HK\$ per share	Vesting period	Number of awarded shares				
					Unvested as at 1 May 2025	Granted during the Period	Forfeited during the Period	Vested during the Period	Unvested as at 31 October 2025
Director									
Mr. CHENG Sing Yuk	10/10/2023	2.18	–	10/10/2023 to 10/10/2025	42,000	–	–	(42,000)	–
	08/11/2024	1.06	–	08/11/2025 to 16/11/2026	110,000	–	–	–	110,000
Sub-total					152,000	–	–	(42,000)	110,000
Employees – In aggregate									
	10/10/2023	2.18	–	10/10/2023 to 10/10/2025	336,000	–	(145,000)	(191,000)	–
	08/11/2024	1.06	–	08/11/2025 to 16/11/2026	792,000	–	–	–	792,000
Sub-total					1,128,000	–	(145,000)	(191,000)	792,000
Total					1,280,000	–	(145,000)	(233,000)	902,000

Other Information *(Continued)*

Notes:

- The number of shares available to be awarded under the Share Award Scheme as at the beginning of the Period, the end of the Period and the date of this report were 17,865,150 shares, 18,010,150 shares and 18,010,150 shares respectively, representing approximately 2.5%, 2.5% and 2.5% of the issued shares of the Company respectively as at the dates thereof. No awarded shares were granted during the Period.
- The weighted average closing price of the shares of the Company immediately before the dates on which the awarded shares were vested was HK\$0.78 per share.
- Details of their fair value at the time of grant and the accounting policy adopted are set out in note 16 to the consolidated financial statement.
- The vesting of the awarded shares shall be conditional upon the achievement of certain performance targets in respect of the financial results of the Group and the performance ratings of the grantees.
- Bank of Communications Trustee Limited has been appointed as the trustee of the Share Award Scheme ("Trustee"). Pursuant to the scheme rules and the trust deed entered into with the Trustee, the Trustee shall purchase from the market or subscribe for the relevant number of awarded shares out of the Company's resources. The Trustee of the Share Award Scheme, pursuant to the rules and trust deed of the Share Award Scheme, repurchased on the Stock Exchange a total of 300,000 shares of the Company at a total consideration of about HK\$243,000 during the Period.

Compliance with Corporate Governance Code

The Company has adopted the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix C1 to the Listing Rules. The Directors recognise the importance of good corporate governance in the management of the Group. The Board will review and monitor the corporate governance practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices.

The Board is of the view that the Company has met the code provisions set out in the CG Code, except for the separation of the roles of Chairman and Chief Executive Officer as stipulated in the code provision C.2.1 of the CG Code. Currently, Ms. Ngai Lai Ha is both the Chairman and the Chief Executive Officer of the Company. As Ms. Ngai is one of the founders of the Group, the Board believes that it is in the best interest of the Group to have Ms. Ngai taking up both roles for continuous effective management of the Board and the business development of the Group.

Review of Financial Statements

The audit committee of the Company (the "Audit Committee") comprises three independent non-executive Directors with written terms of reference in accordance with the requirements of the Listing Rules, and reports to the Board. The Audit Committee has reviewed and discussed with the management the unaudited interim results of the Group for the Period. In addition, PricewaterhouseCoopers as the Company's auditor has reviewed the unaudited interim results of the Group for the Period in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the Directors. Having made a specific enquiry with all of the Directors, the Directors confirmed that they had been in compliance with the required standard set out in the Model Code throughout the Period.

Other Information *(Continued)*

Purchase, Sale or Redemption of the Company's Listed Securities

During the Period under review, the Company repurchased 3,000,000 of its own ordinary shares on the Stock Exchange for a total consideration of approximately HK\$2,498,000 (including transaction costs). These shares were subsequently cancelled prior to the date of this report. The Board authorized these repurchases based on its belief that the Company's shares were persistently undervalued in the market. The transactions were funded from existing financial resources, which the Board considers sufficient to support both the share repurchase and the ongoing operational needs of the business while preserving a solid financial foundation.

Separately, following the renewal of the Company's Share Award Scheme for a further ten-year term effective 24 July 2025, the scheme's trustee purchased 300,000 of the Company's shares on the Stock Exchange. The total consideration for this purchase was approximately HK\$243,000. These shares are held in trust for the purposes of the scheme.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities (including sale of treasury shares of the Company) during the Period.

Interim Dividend

The Board has resolved to declare an interim dividend of HK3.0 cents (2024/25: an interim dividend of HK4.0 cents) per share, representing a total payout of approximately HK\$21,397,000 (2024/25: approximately HK\$28,800,000). Shareholders whose names appear on the register of members of the Company after the close of business on Friday, 9 January 2026 will be entitled to the interim dividend which will be paid on or around Wednesday, 4 February 2026.

Closure of Register of Members

The register of members of the Company will be closed from Wednesday, 7 January 2026 to Friday, 9 January 2026, (both days inclusive), during which period no transfer of shares will be effected. The record date for determining the entitlement of the Shareholders of the Company to the proposed interim dividend will be Friday, 9 January 2026. In order to qualify for an interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar and Transfer Office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Tuesday, 6 January 2026.

Appreciation

On behalf of the Board, I would like to thank all of our management team members and staff for their commitment and contributions. I also greatly appreciate the constant support of our customers, business partners and shareholders. We shall be grateful for your continuing trust and support in the years to come.

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

Hong Kong, 19 December 2025