

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



EMBRY HOLDINGS LIMITED

安莉芳控股有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1388)

ANNOUNCEMENT ON SALES UPDATE FOR THE PERIOD FROM APRIL TO JUNE OF 2016 AND PROFIT WARNING FOR THE SIX MONTHS ENDED 30 JUNE 2016

This announcement is made by Embry Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company announces the sales performance of the Group for the period from April to June of 2016 (the “**Period**”).

Overall sales of the Group for the Period decreased by approximately 18% as compared to the same period of last year. During the Period, for stores that had been in operation for more than 18 months, same store sales recorded a mid-teens decline year-on-year. The number of retail outlets net decreased by 30 as compared to the end of December last year. As at the end of June 2016, there were a total of 2,186 retail outlets, comprising 2,011 concessionary counters and 175 retail shops.

As a result of the (i) weak retail environment with cautious consumption sentiments; (ii) decrease in gross profit margin; (iii) increase in overall operating expenses as a percentage of revenue; and (iv) depreciation of Renminbi, whereby as disclosed in the annual report of the Company for the year ended 31 December 2015, over 90% of the sales of the Group were derived in the People’s Republic of China, the Board wishes to further inform the shareholders of the Company and potential investors that the unaudited consolidated net profit of the Group for the six months ended 30 June 2016 is expected to show a decrease as compared to that for the six months ended 30 June 2015.

The information contained in this announcement is only based on the Board's preliminary assessment after reviewing the unaudited consolidated management accounts of the Group for the six months ended 30 June 2016, and such information has not been audited or reviewed by the Company's independent auditor or the audit committee of the Board. Shareholders of the Company and potential investors are advised to refer to the details of in the Company's interim results announcement for the six months ended 30 June 2016, which is expected to be released no later than 31 August 2016.

Shareholders of the Company and potential investors are advised to exercise caution when dealings in the shares of the Company.

On Behalf of the Board of
Embry Holdings Limited
Ngok Ming Chu
Chairman

Hong Kong, 21 July 2016

As at the date of this announcement, the Board comprises three executive Directors, namely Madam Ngok Ming Chu (Chairman), Ms. Cheng Pik Ho Liza (Chief Executive Officer) and Ms. Lu Qun; and three independent non-executive Directors, namely Mr. Lau Siu Ki, Mr. Lee Kwan Hung and Prof. Lee T. S.