

[For Immediate Release]



**Embry Holdings Limited
Announces 2024 Annual Results**

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Sustaining Brand Promotion, Bolstering E-commerce, and Responding Carefully to Market Shifts

RESULTS AND OPERATION HIGHLIGHTS

- Revenue was approximately HK\$1,152.6 million
- Gross profit was approximately HK\$848.7 million with gross profit margin at approximately 73.6%
- Affected by non-recurring, unrealised, and non-cash items including, among others, provision for impairment of property, plant and equipment, changes in fair value of properties, impairment of other assets, provision for impairment of right-of-use assets totalling approximately HK\$245.6 million, the Company recorded a loss attributable to owners of approximately HK\$373.4 million
- Leveraged celebrity influence to attract younger consumer demographics through collaborations with youthful brand spokespersons
- Strengthened the operations of e-commerce platforms, the overall e-commerce sales increased by 8.6% year on year to HK\$400.4 million

(28 March 2025 – Hong Kong) **Embry Holdings Limited** (“Embry Group” or the “Group”; Stock Code: 1388), a major lingerie brand owner and retailer in China, announces its annual results for the year ended 31 December 2024 (the “Current Year”) today.

During the Current Year, the Group’s revenue decreased by 10.1% to HK\$1,152,570,000 from that for the year ended 31 December 2023 (the “Prior Year”). The Group’s revenue from Chinese Mainland market decreased by approximately 8.2% year on year. The gross profit margin slightly decreased by 1 percentage point year on year to 73.6%. Affected by non-recurring, unrealised, and non-cash items including, among others, provision for impairment of property, plant and equipment, changes in fair value of properties, impairment of other assets, provision for impairment of right-of-use assets totalling approximately HK\$245,612,000, the Company recorded a loss attributable to owners of approximately HK\$373,435,000. Loss per share amounted to HK88.40 cents.

The board of directors has resolved not to recommend the payment of a final dividend in view of the uncertain economic outlook. The Company believes that this measure is a prudent and responsible means of preserving cash for the long-term financial health of the Group.

Reviewing the Group’s operation in the past year, madam Ming Chu Ngok, Chairman of Embry Group, said, “The year 2024 presented an intricately complex international landscape, characterised by subdued momentum in global economic growth, escalating geopolitical conflicts, and intensifying trade protectionism. The world economy remained entrenched in a cyclical adjustment phase. We saw insufficient effective demand domestically, transitional challenges in the shift between traditional and emerging growth drivers and operation

faced by certain enterprises. Confronted with the complexity of increasing external pressures and internal challenges, the Chinese government proactively implemented a coordinated suite of policies, resulting in a sustained overall stable economic performance. According to the National Bureau of Statistics, China's gross domestic product (GDP) increased by 5.0% in 2024. Although China's GDP fulfilled the official economic growth target driven by export growth and stimulus measures, the issue of uneven economic development remained severe. Domestic consumption and real estate market continued to weaken, slowing the overall economic recovery. Due to insufficient internal consumption momentum, which has posed considerable impact on the operating environment for retailers of sub-essential underwear products."

In 2024, the Group leveraged its multi-brand strategy and adjusted marketing arrangements to meet market demand for its seven brands, namely **EMBRY FORM**, **FANDECIE**, **COMFIT**, **E-BRA**, **IVU**, **IADORE** and **LIZA CHENG**. The Group caters to the segmented market by highlighting unique brand personalities to meet the needs and preferences of varying customer groups. The Group enhanced its brand competitiveness and expanded market share while consolidating its flagship brand, **EMBRY FORM**, which contributed the majority of sales.

Among the seven brands operated by the Group, **EMBRY FORM**, the flagship brand, is the main source of income for the Group and its contribution to the total revenue accounted for 61.9%. Revenue from **EMBRY FORM** amounted to HK\$713,673,000, up by 0.6% from that for the Prior Year. The revenue from other brands **FANDECIE**, **E-BRA**, **COMFIT**, **IVU**, **IADORE** and **LIZA CHENG** for the Current Year amounted to HK\$432,845,000, accounting for 37.6% of the total revenue.

During the Current Year, revenue from retail sales was HK\$720,169,000, representing a decrease of 17.7% over the Prior Year and accounted for 62.5% of the Group's total revenue. The Group recorded an increase in sales on e-commerce platforms. Revenue from the Internet increased by 8.6% to HK\$400,423,000 in 2024, accounting for 34.7% of the total revenue. The increase was primarily driven by the Group's enhanced e-commerce operations and improved supply chain management. These improvements enabled the Group to rapidly fulfil online orders, attracting and retaining customers effectively, which resulted in revenue growth from internet sales.

During the Current Year, the selling and distribution expenses decreased by 7.7% to HK\$813,910,000, accounting for 70.6% of the Group's revenue. The decrease in expenses was mainly due to the decrease in the number of concessionary counters and retail stores, resulting in a decrease in the related rental costs and wages of sales staff. Nevertheless, the Group allocated more resources to sales and marketing during the Current Year, namely by engaging a spokesperson and organising promotional activities, with the aim of enhancing the Group's brand awareness and driving the Group's overall sales. In addition, the ratio of the selling and distribution expenses to the overall sales increased during the Current Year due to the lower sales performance.

In 2024, the Group continued to optimise its sales network. As of 31 December 2024, the Group had 811 retail outlets in total, including 671 concessionary counters and 140 retail stores, representing a net decrease of 196 retail outlets as compared to the end of 2023. The Group seized the opportunity of online sales, and actively explored and developed the online shopping market to improve the overall operational efficiency of its sales network. The Group strategically adjusted its store network and appropriately integrated the proportion of online and offline sales to achieve optimal channel coverage.

In terms of brand promotion, the Group continued to adopt a diverse, multi-platform promotional strategy in 2024, gradually enhancing consumer awareness of its brands. During the Current Year, the Group precisely allocated resources, focusing on the in-depth operation of social media channels. This approach achieved high-frequency brand exposure across major social media platforms. The Group also maintained its celebrity endorsement strategy, leveraging celebrity influence to attract younger consumer demographics through collaborations with youthful brand spokespersons. To complement its multi-channel marketing efforts, the Group actively organised “Elegance Through Time (時光裡的優雅)” themed pop-up events offline and livestreaming campaigns online, which further promoted the brand image, elevated brand reputation, and ultimately boosted product sales.

In support of China’s strategy to achieve the goals of “carbon peaking” and “carbon neutrality”, and to demonstrate its green and healthy brand image, the Group organised multiple “Blue Ribbon Salon Livestream (藍絲帶沙龍直播)” events during the year. These events aimed to raise awareness of women’s health and solidify its positioning as the “preferred brand for green, healthy, and high-quality underwear (綠色健康高品質貼身衣物首選品牌)”. In addition, remaining true to its original mission and upholding the “green, low carbon” and “sustainable” brand concepts, the Group hosted the 22nd Eco Month activities and launched the Eco Month product series, taking concrete actions to promote energy conservation and emission reduction. Meanwhile, the Group initiated the “Butterfly Habitat (蝶之棲息地)” conservation campaign, encouraging consumers to reduce carbon emissions, reinforcing the brand’s commitment to environmental and health-conscious values.

Looking ahead to 2025, the global economy is expected to remain under adjustment pressure. The ongoing sluggish real estate market and uncertain economic prospects have dampened consumer confidence. The broader macroeconomic weakness is likely to persist, resulting in an expected modest recovery trajectory for consumption in 2025. Therefore, the Group adopts a prudent outlook towards the underwear industry and maintains a conservative outlook towards the overall economic landscape in the Chinese Mainland in 2025.

Madam Ngok concluded, “Since 2024, a rational approach to consumption has become an enduring market norm. Moving forward, the Group will adopt a prudent approach and pay close attention to market trends in terms of product designs, production technology, marketing and sales channels so as to align itself with consumers’ rational approach to consumption, with emphases placed on quality, functions and appearance, and green and sustainable consumption. The Group will press on with the existing multi-brand strategy, continue to explore different market segments, actively implement the sales strategy centred on consumers and market demand, closely follow the pace of changes in domestic consumption patterns, adjust the number of offline stores in a timely manner, save costs to vigorously develop online sales channels, step up interactive publicity on social media, actively promote traffic monetization, and capitalise on the e-commerce trend to drive the online sales of its brands. Through its youth-oriented spokesperson brand strategy, the Group aims to broaden its consumer base and further increase product sales volumes. In terms of production, the Group will leverage the advantages of resource deployment through its self-production and self-distribution model as well as the ancillary logistics facilities of intelligent warehouses for finished goods and materials to enhance production and logistics efficiency, and actively optimise its supply chain. Adhering to the commitment to quality, the Group will continue to adopt a flexible and effective multi-brand strategy to respond to the ever-changing market, and strive to create long-term value for shareholders through the prudent and effective allocation of resources.”

About Embry Group:

Embry Group is a major lingerie brand owner and retailer in China, which has established an extensive retail network comprising around 800 outlets that cover major cities in China, including Hong Kong and Macau. Embry operates seven brands namely, **EMBRY FORM**, **FANDECIE**, **COMFIT**, **E-BRA**, **LIZA CHENG**, **IADORE**, and **IVU** with each of them targeting at different customers.

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