



**Embry Holdings Limited
Announces 2025 Interim Results**

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**Leverage Online Consumption Trends, Maintain Steady E-commerce Platforms Operations
Achieve 7.6% YoY Online Sales Growth**

RESULTS AND OPERATION HIGHLIGHTS

- Revenue was approximately HK\$604.5 million
- Gross profit was approximately HK\$442.3 million, gross profit margin was approximately 73.2%
- Affected by the operating loss and the changes in fair value of investment properties and impairment of other asset, the Company recorded a loss attributable to owners of approximately HK\$58.0 million
- Use of celebrity endorsements to attract young customer groups effectively boosting **EMBRY FORM**'s sales
- Focus on strengthening the operations of e-commerce platforms, the overall e-commerce sales increased by 7.6% year on year to HK\$236.8 million

(29 August 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 unaudited interim results for the six months ended 30 June 2025 (the “Current Period”) today.

During the Current Period, the Group’s revenue decreased by 4.3% to HK\$604,528,000 from that for the six months ended 30 June 2024 (the “Prior Period”). The Group’s revenue from Chinese Mainland market decreased by approximately 3.2% year on year at constant exchange rates. The gross profit margin decreased by 2.6 percentage points year on year to 73.2%. Affected by the operating loss and the changes in fair value of investment properties and impairment of other asset, the Company recorded a loss attributable to owners of approximately HK\$57,959,000. Loss per share amounted to HK13.72 cents. The board of directors has resolved not to recommend the payment of an interim 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 first half of 2025, Madam Ming Chu Ngok, Chairman of Embry Group, said, “In the first half of the year, China’s economy pressed ahead under pressure, driven by these policy measures, the pressure from slowing domestic demand eased, and the overall consumer market sustained the moderate recovery trend observed since 2024. However, due to employment and income factors, consumer confidence is evidently weak at present, and the consumption propensity has been declining. The business environment for underwear retail remains challenging.”

In the first half of 2025, 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 64.7%. Revenue from **EMBRY FORM** amounted to HK\$391,105,000, slightly up by 1.5% from that for the Prior Period. The revenue from other brands **FANDECIE**, **E-BRA**, **COMFIT**, **IVU**, **IADORE** and **LIZA CHENG** for the Current Period amounted to HK\$206,189,000, accounting for 34.1% of the total revenue.

During the Current Period, revenue from retail sales was HK\$346,363,000, accounting for 57.3% of the Group's total revenue. The Group recorded a significant growth in e-commerce sales, which increased by 7.6% year on year to HK\$236,828,000 in the first half of 2025, with its contribution to total revenue increased from 34.90% in the same period last year to 39.2%. This growth was primarily driven by the Group's strategic alignment with online consumption trends through enhanced e-commerce operations and supply chain management, which resulted in revenue growth from internet sales.

During the Current Period, the selling and distribution expenses decreased by 3.3% year on year to HK\$408,005,000, accounting for 67.5% of the Group's revenue. The decrease in expenses was mainly due to a reduction in the number of concessionary counters and retail stores, which led to lower related rental costs and wages of sales staff. Nevertheless, the Group has allocated more resources in sales and marketing during the Current Period, namely by engaging a spokesperson and organising more promotional activities, with the aim of enhancing the Group's brand awareness and driving the Group's overall sales in the future. Administrative expenses amounted to HK\$75,265,000, representing a decrease of 6.1% as compared to the same period last year, accounting for 12.5% of the Group's revenue.

In the first half of the year, the Group further optimised and improved its sales network. As of 30 June 2025, the Group had a total of 761 retail outlets, including 629 concessionary counters and 132 retail stores. This represents a net decrease of 50 retail outlets compared to the end of December 2024. The Group capitalised on prevailing online consumption trends to capture sales opportunities, intensifying its expansion in the online shopping market. Concurrently, in response to subdued physical retail demand, the Group strategically closed certain stores following cost-benefit analyses to optimise the overall operational efficiency of its sales network. The Group rebalanced the sales mix between online and offline channels to achieve optimal market coverage.

In terms of brand promotion, the Group optimised promotional content and communication strategies, deepening its multi-channel and multi-media presence. Through targeted resource allocation, enhanced social media operations, and expansion across diverse online content platforms, the Group effectively increased brand exposure and traffic. To further expand brand awareness and influence, the Group partnered with celebrity spokesperson Song Yi (宋軼). This collaboration served to attract a younger customer base while deepening loyalty among existing customers. Omnichannel promotional activities (both online and offline) strengthened audience engagement, and frequent, high-quality interactions generated valuable user insights for the brand, effectively boosting brand recognition. The strong alignment between Song Yi (宋軼) and the brand image was well-received by consumers, driving increased sales of **EMBRY FORM** products.

Looking ahead to the second half of the year, China's economic resilience is poised to strengthen further, supported by policy measures, a rebound in domestic demand, and manufacturing sector transformation, thereby sustaining its recovery trajectory. Concurrently, with overall stable employment conditions and steady household income growth, domestic consumption is expected to achieve measured growth in the second half of 2025. However, the lingerie sector continues to face intense "rat race" competition, with its performance expected to lag the broader consumer market behind amid increasingly fierce competition.

Madam Ngok concluded, "In response to consumers' increasingly rational and prudent attitudes towards lingerie consumption, the Group will closely monitor market dynamics and respond rapidly in product design, production technology, marketing, and channel strategies. We will continue to deepen the development of e-commerce products, enhance product adaptability, and strengthen cooperation with low-carbon suppliers to comprehensively launch environmentally friendly products, meeting consumers' demands for quality, rational consumption, and green sustainable development. In the future, the Group will continuously review and optimise business strategies while actively exploring niche markets. Seizing e-commerce growth opportunities, it will strengthen social media and e-commerce platform operations and enhance brand influence across multiple channels to consolidate online retail advantages. At the same time, the Group will extend its successful celebrity endorsement strategy to further solidify market share. In terms of production, the Group will flexibly allocate production capacity and supply chain resources and fully utilise its intelligent warehousing logistics system to enhance supply efficiency and delivery speed, while actively promoting energy conservation, emission reduction and supply chain optimisation to achieve sustainable development. Adhering to its 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 prudent and effective allocation of resources."

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About Embry Group:

Embry Group is a major lingerie brand owner and retailer in China, which has established an extensive retail network comprising 761 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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