



**EMBRY HOLDINGS LIMITED**

**安莉芳控股有限公司**

Incorporated in the Cayman Islands with limited liability

Stock Code: 1388

2025

INTERIM REPORT



**ANNIVERSARY**

STRIVING FOR EXCELLENCE

追求卓越

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# Corporate Information

## Directors and Board Committees

### Directors

#### *Executive Directors*

NGOK Ming Chu (Chairman)  
CHENG Pik Ho Liza (Chief Executive Officer)  
CHENG Chuen Chuen  
LU Qun

#### *Independent Non-Executive Directors*

CHAN Chi On (alias, Derek Chan)  
LAU Siu Ki (alias, Kevin Lau)  
LEE Kwan Hung (alias, Eddie Lee)  
LEE T. S. (alias, Lee Tien-sheng)

### Board Committees

#### *Audit Committee*

LAU Siu Ki (alias, Kevin Lau) (Chairman)  
CHAN Chi On (alias, Derek Chan)  
LEE T. S. (alias, Lee Tien-sheng)

#### *Remuneration Committee*

LEE Kwan Hung (alias, Eddie Lee) (Chairman)  
CHENG Pik Ho Liza  
LAU Siu Ki (alias, Kevin Lau)  
LEE T. S. (alias, Lee Tien-sheng)

#### *Nomination Committee*

LEE T. S. (alias, Lee Tien-sheng) (Chairman)  
CHENG Pik Ho Liza  
LAU Siu Ki (alias, Kevin Lau)  
LEE Kwan Hung (alias, Eddie Lee)

## Compliance Officer

CHUNG King Yeung

## Company Secretary

SO Ka Man

## Registered Office

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## Head Office and Principal Place of Business

7th Floor, Wyler Centre II  
200 Tai Lin Pai Road  
Kwai Chung, New Territories  
Hong Kong

## Principal Bankers

Hang Seng Bank Limited  
Hang Seng Bank (China) Limited  
Nanyang Commercial Bank, Limited  
The Hongkong and Shanghai Banking Corporation Limited  
HSBC Bank (China) Company Limited  
Bank of China Limited  
China Construction Bank Corporation  
China Merchants Bank Co., Ltd.  
Hua Xia Bank Co., Limited  
China Everbright Bank Co., Ltd.  
Bank of Beijing Co., Ltd.

## Legal Advisers

### **As to Hong Kong law:**

Chiu & Partners

### **As to PRC law:**

GFE Law Office  
Grandall Law Firm (Jinan)  
Zhong Lun Law Firm

## Auditor

Ernst & Young  
*Certified Public Accountants and  
Registered Public Interest Entity Auditor*

## Share Registrars

### **Principal Share Registrar and Transfer Office in the Cayman Islands**

Suntera (Cayman) Limited  
Suite 3204, Unit 2A  
Block 3, Building D  
P.O. Box 1586  
Gardenia Court  
Camana Bay  
Grand Cayman KY1-1100  
Cayman Islands

### **Branch Share Registrar and Transfer Office in Hong Kong**

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## Investor Relations

iPR Ogilvy Limited

## Website

[www.embrygroup.com](http://www.embrygroup.com)

## Stock Code

1388

# Unaudited Condensed Consolidated Financial Statements

The board of directors (the “Board” or “Directors”) of Embry Holdings Limited (the “Company”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2025 together with the unaudited comparative figures for the corresponding period in 2024 and the relevant explanatory notes as set out below. The condensed consolidated results are unaudited, but have been reviewed by the audit committee and the external auditor of the Company.

## Condensed Consolidated Income Statement

*For the six months ended 30 June 2025*

	Notes	Six months ended 30 June	
		2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
<b>REVENUE</b>	3	<b>604,528</b>	631,392
Cost of sales		(162,219)	(153,068)
Gross profit		<b>442,309</b>	478,324
Other income and gains, net	4	<b>16,823</b>	9,824
Selling and distribution expenses		<b>(408,005)</b>	(422,004)
Administrative expenses		<b>(75,265)</b>	(80,196)
Changes in fair value of investment properties		<b>(14,349)</b>	(43,674)
Impairment of Other Asset		<b>(5,484)</b>	(22,065)
Impairment of right-of-use assets		<b>(2,162)</b>	(8,737)
Other expenses	5	<b>(486)</b>	(1,495)
Finance costs	6	<b>(7,538)</b>	(9,246)
<b>LOSS BEFORE TAX</b>	7	<b>(54,157)</b>	(99,269)
Income tax credit/(charge)	8	<b>(3,802)</b>	17,034
<b>LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>(57,959)</b>	(82,235)
<b>LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	10		
— Basic (HK cents)		<b>(13.72)</b>	(19.47)
— Diluted (HK cents)		<b>(13.72)</b>	(19.47)

# Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<b>LOSS FOR THE PERIOD</b>	<b>(57,959)</b>	<b>(82,235)</b>
<b>OTHER COMPREHENSIVE INCOME/(EXPENSE)</b>		
<i>Other comprehensive income/(expense) that may be reclassified to the income statement in subsequent periods:</i>		
Exchange differences arising on translation of foreign operations	59,132	(45,817)
<i>Other comprehensive income/(expense) that will not be reclassified to the income statement in subsequent periods:</i>		
Revaluation surplus	4,915	3,341
Deferred tax debited to asset revaluation reserve	(1,230)	(835)
Net other comprehensive income that will not be reclassified to the income statement in subsequent periods	3,685	2,506
<b>OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD, NET OF TAX</b>	<b>62,817</b>	<b>(43,311)</b>
<b>TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>4,858</b>	<b>(125,546)</b>

# Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	615,902	617,954
Investment properties		487,590	473,225
Right-of-use assets		113,387	108,035
Other Asset		348,352	342,660
Deferred tax assets		74,356	74,169
Deposits and other receivables		13,340	17,982
Interests in associate		297	–
Total non-current assets		1,653,224	1,634,025
<b>CURRENT ASSETS</b>			
Inventories		469,232	477,441
Trade receivables	12	61,725	38,015
Prepayments, deposits and other receivables		59,180	52,030
Tax recoverable		424	266
Cash and cash equivalents		212,742	163,434
Total current assets		803,303	731,186
<b>CURRENT LIABILITIES</b>			
Trade and bills payable	13	37,025	39,020
Interest-bearing bank and other borrowings	14	209,780	213,905
Lease liabilities		26,500	28,011
Other payables and accruals	15	140,648	134,762
Total current liabilities		413,953	415,698
<b>NET CURRENT ASSETS</b>		<b>389,350</b>	<b>315,488</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,042,574</b>	<b>1,949,513</b>

## Condensed Consolidated Statement of Financial Position (continued)

30 June 2025

		30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
	Notes		
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank and other borrowings	14	192,781	109,348
Lease liabilities		11,729	12,170
Deferred tax liabilities		108,400	103,189
Other payables	15	2,254	2,254
Total non-current liabilities		315,164	226,961
<b>NET ASSETS</b>		<b>1,727,410</b>	<b>1,722,552</b>
<b>EQUITY</b>			
Equity attributable to owners of the Company			
Share capital		4,224	4,224
Reserves		1,723,186	1,718,328
<b>TOTAL EQUITY</b>		<b>1,727,410</b>	<b>1,722,552</b>

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company										
	Reserves										
	Share capital	Share premium account	Contributed surplus	Asset revaluation reserve	Enterprise statutory reserve funds	Share option reserve	Exchange fluctuation reserve	Goodwill reserve	Retained profits	Total reserves	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2025 (audited)	4,224	386,512	122,610	45,320	192,154	3,367	(197,390)	(3,168)	1,168,923	1,718,328	1,722,552
Loss for the period	-	-	-	-	-	-	-	-	(57,959)	(57,959)	(57,959)
Revaluation surplus	-	-	-	4,915	-	-	-	-	-	4,915	4,915
Deferred tax debited to asset revaluation reserve	-	-	-	(1,230)	-	-	-	-	-	(1,230)	(1,230)
Exchange differences related to foreign operations	-	-	-	-	-	-	59,132	-	-	59,132	59,132
Total comprehensive income/(expense) for the period	-	-	-	3,685	-	-	59,132	-	(57,959)	4,858	4,858
Share option lapsed	-	-	-	-	-	(26)	-	-	26	-	-
At 30 June 2025 (unaudited)	4,224	386,512	122,610	49,005	192,154	3,341	(138,258)	(3,168)	1,110,990	1,723,186	1,727,410



# Condensed Consolidated Statement of Changes in Equity (continued)

For the six months ended 30 June 2024

	Attributable to owners of the Company										
	Reserves										
	Enterprise expansion and statutory reserve funds										
	Share capital HK\$'000	Share premium account HK\$'000	Contributed surplus HK\$'000	Asset revaluation reserve HK\$'000	statutory reserve funds HK\$'000	Share option reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Goodwill reserve HK\$'000	Retained profits HK\$'000	Total reserves HK\$'000	Total equity HK\$'000
At 1 January 2024 (audited)	4,224	386,512	122,610	42,814	192,154	3,393	(132,489)	(3,168)	1,542,332	2,154,158	2,158,382
Loss for the period	-	-	-	-	-	-	-	-	(82,235)	(82,235)	(82,235)
Revaluation surplus	-	-	-	3,341	-	-	-	-	-	3,341	3,341
Deferred tax debited to asset revaluation reserve	-	-	-	(835)	-	-	-	-	-	(835)	(835)
Exchange differences related to foreign operations	-	-	-	-	-	-	(45,817)	-	-	(45,817)	(45,817)
Total comprehensive income/(expense) for the period	-	-	-	2,506	-	-	(45,817)	-	(82,235)	(125,546)	(125,546)
Share option lapsed	-	-	-	-	-	(13)	-	-	13	-	-
At 30 June 2024 (unaudited)	4,224	386,512	122,610	45,320	192,154	3,380	(178,306)	(3,168)	1,460,110	2,028,612	2,032,836

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
<b>NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>(18,939)</b>	<b>9,161</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	970	1,415
Purchase of items of property, plant and equipment	(3,497)	(5,615)
Increase in right-of-use assets	(7)	(120)
Capital contribution to an associate	(297)	–
Net cash flows used in investing activities	(2,831)	(4,320)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
New bank borrowings	121,692	–
Repayment of bank borrowings	(46,740)	(19,919)
Principal portion of lease payments	(19,645)	(19,997)
Interest paid	(7,538)	(9,246)
Net cash flows from/(used in) financing activities	47,769	(49,162)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>25,999</b>	<b>(44,321)</b>
Cash and cash equivalents at beginning of period	163,434	283,610
Effect of foreign exchange rate changes, net	23,309	(11,454)
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>212,742</b>	<b>227,835</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	174,263	149,852
Non-pledged time deposits with original maturity of less than three months when acquired	38,479	77,983
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	212,742	227,835

# Notes to the Condensed Consolidated Financial Statements

## 1. Corporate Information

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 29 August 2006 under the Companies Act, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business of the Company is located at 7th Floor, Wyler Centre II, 200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong.

## 2.1 Basis of preparation

The condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with Hong Kong Accounting Standards ("HKAS") 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

The condensed consolidated financial statements have been prepared under the historical cost convention, except for the investment properties which have been measured at fair value.

## 2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21

*Lack of Exchangeability*

The adoption of the above amended standard had no material impact on the results and financial position for the current or prior accounting periods which have been prepared and presented.

# Notes to the Condensed Consolidated Financial Statements (continued)

## 3. Revenue and Segment Information

An analysis of revenue is as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<i>Revenue from contracts with customers</i>		
Sales of goods	604,528	631,392

Disaggregated revenue information for revenue from contracts with customers

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<b>Business activities</b>		
Concessionary counters	297,897	338,899
Retail stores	48,466	54,420
Internet and wholesale	250,931	235,548
Original design manufacturer ("ODM")	7,234	2,525
Total revenue from contracts with customers	604,528	631,392

## Notes to the Condensed Consolidated Financial Statements (continued)

### 3. Revenue and Segment Information (continued)

Disaggregated revenue information for revenue from contracts with customers (continued)

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<b>Brands</b>		
Embry Form	391,105	385,168
Others	206,189	243,699
ODM products	7,234	2,525
Total revenue from contracts with customers	604,528	631,392
<b>Products</b>		
Lingerie	505,936	547,859
Sleepwear	72,568	62,415
Swimwear	9,020	9,300
ODM products	7,234	2,525
Other products	9,770	9,293
Total revenue from contracts with customers	604,528	631,392
<b>Geographical markets</b>		
Mainland China	582,494	611,286
Hong Kong	14,800	17,581
Others	7,234	2,525
Total revenue from contracts with customers	604,528	631,392

# Notes to the Condensed Consolidated Financial Statements (continued)

## 4. Other Income and Gains, Net

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<b>Other income</b>		
Subsidy income*	2,469	207
Gross rental income from investment properties operating leases:		
Other lease payments, including fixed payments	7,991	7,964
Variable lease payments that do not depend on an index or a rate	285	312
Bank interest income	970	1,415
Gain/(loss) on termination of leases	(22)	66
Others	2,627	4,558
Subtotal	14,320	14,522
<b>Gains/(losses), net</b>		
Foreign exchange differences, net	2,503	(4,698)
Total	16,823	9,824

\* There are no unfulfilled conditions or contingencies relating to this income.

## Notes to the Condensed Consolidated Financial Statements (continued)

### 5. Other Expenses

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss on disposal/write-off of items of property, plant and equipment, net	–	16
Termination benefits	486	1,479
Total	486	1,495

### 6. Finance Costs

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest on interest-bearing bank borrowings	6,547	8,028
Interest on lease liabilities	991	1,218
Total	7,538	9,246

## Notes to the Condensed Consolidated Financial Statements (continued)

### 7. Loss Before Tax

The Group's loss before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Cost of inventories sold	162,219	153,068
Depreciation of property, plant and equipment	18,889	26,398
Depreciation of right-of-use assets	14,682	18,027
Write-back of impairment of trade receivables	(924)	(296)
Lease payment not included in the measurement of lease liabilities	103,126	112,897
Advertising and counter decoration expenses	81,774	68,875
Write-back/write-off of provision for obsolete inventories, net	(13,023)	(12,885)
Impairment of right-of-use assets*	2,162	8,737
Loss/(gain) on termination of leases	22	(66)

\* During the period ended 30 June 2025, the impairment loss of HK\$2,162,000 (2024: HK\$8,737,000) represented the write-down of the carrying amount of right-of-use assets for certain underperforming stores to their recoverable amounts. The estimated recoverable amounts as at 30 June 2025 were determined based on their value in use amounts estimated by using a discount rate of 12.6% (2024: 12.6%).

### 8. Income Tax

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period (2024: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the regions in which the Group operates.

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current — Mainland China	—	—
Deferred tax charge/(credit)	3,802	(17,034)
Total tax charge/(credit) for the period	3,802	(17,034)



## Notes to the Condensed Consolidated Financial Statements (continued)

### 9. Related Party Transactions

- (a) In addition to the transactions detailed elsewhere in these condensed consolidated financial statements, the Group had the following material transactions with related parties during the period:

		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
<b>Continuing transactions</b>			
Purchases of furniture and decoration services for counters and shops as well as different types of moulds from related companies	(i)	–	2,626
Rental expenses for a warehouse charged by a director of the Company	(ii)	168	168
Consultancy fee to a substantial shareholder of the Company	(iii)	–	1,440

Notes:

- (i) The purchases of furniture and decoration services for counters and shops as well as different types of moulds from 多思維五金塑料製品(深圳)有限公司 (Duosiwei Metal & Plastic Products (Shenzhen) Co., Ltd.) ("Shenzhen Duosiwei"), a related company controlled by Mr. Cheng Chuen Chuen, an executive director of the Company, and 尚悅實業(深圳)有限公司 (Shangyue Industry (Shenzhen) Co., Ltd.), a related company controlled by close family members of Mr. Cheng Chuen Chuen, were made according to the terms similar to those offered by the Group's independent suppliers. Mr. Cheng Chuen Chuen completed the disposal of his entire interests in Shenzhen Duosiwei on 17 May 2024 and Shenzhen Duosiwei ceased to be a related company of the Company. The balances owed to related companies as at 30 June 2025 were nil (31 December 2024: HK\$169,000) and were unsecured, interest-free and repayable in accordance with normal trading terms. The amounts have been included in other payables and accruals as at the end of the reporting period.

# Notes to the Condensed Consolidated Financial Statements (continued)

## 9. Related Party Transactions (continued)

### (a) (continued)

Notes: (continued)

- (ii) The rental expenses were charged by Madam Ngok Ming Chu, an executive director of the Company, and determined with reference to the then prevailing market conditions.
- (iii) The late Mr. Cheng Man Tai had been engaged as the consultant of the Company for a term of one year with effect from 1 February 2024. The terms of consultancy fee were based on a consultancy agreement entered into between the Company and the late Mr. Cheng Man Tai.

Mr. Cheng Man Tai passed away and ceased to be the consultant on 19 June 2024.

The above continuing transactions constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

The directors are of the opinion that the above transactions were conducted in the ordinary course of business of the Group.

### (b) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2025	2024
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Short-term employee benefits	5,941	5,845
Post-employment benefits	155	146
Total compensation paid to key management personnel	6,096	5,991

# Notes to the Condensed Consolidated Financial Statements (continued)

## 10. Loss Per Share Attributable to Owners of the Company

The calculation of the basic loss per share is based on the following data:

	Six months ended 30 June	
	2025	2024
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
<b>Loss</b>		
Loss for the purpose of basic loss per share	(57,959)	(82,235)
	Number of shares	
	Six months ended 30 June	
	2025	2024
<b>Shares</b>	(unaudited)	(unaudited)
Number of ordinary shares of the Company outstanding, used in the basic loss per share calculation	422,416,638	422,416,638

No adjustment has been made to the basic loss per share amount presented for the period ended 30 June 2025 in respect of a dilution as the impact of the share options has anti-dilutive effect on the basic loss per share amount presented.

No adjustment has been made to the basic loss per share amount presented for the period ended 30 June 2024 in respect of a dilution as the impact of the share options has anti-dilutive effect on the basic loss per share amount presented.

# Notes to the Condensed Consolidated Financial Statements (continued)

## 11. Property, Plant and Equipment

	Six months ended 30 June 2025 HK\$'000 (unaudited)	Year ended 31 December 2024 HK\$'000 (audited)
At beginning of period/year, net carrying amount	617,954	814,841
Additions	3,497	8,325
Disposals/write-off	(31)	(50)
Depreciation provided during the period/year	(18,889)	(51,672)
Impairment	–	(118,699)
Transfer to investment properties ( <i>note</i> )	(10,076)	(10,113)
Exchange realignment	23,447	(24,678)
At end of period/year, net carrying amount	615,902	617,954

*Note:* During the period ended 30 June 2025, the Group rented out certain floors of its occupied properties to an independent third party for rental income. At the date of change in use, this property became investment property. Upon the transfer from property, plant and equipment of HK\$10,076,000 and corresponding right-of-use land of HK\$665,000 to investment properties, this property was revalued at HK\$15,656,000 with a revaluation surplus of HK\$4,915,000 credited to the asset revaluation reserve.

## 12. Trade Receivables

The Group's trading terms with its customers are mainly on credit, except for wholesalers, where payment in advance is normally required. The credit period is generally for a period of one month, extending up to three months for major customers. The Group seeks to maintain strict control over its outstanding receivables by the sales department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

## Notes to the Condensed Consolidated Financial Statements (continued)

### 12. Trade Receivables (continued)

An ageing analysis of the Group's trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Within 90 days	59,288	35,021
91 to 180 days	2,176	2,733
181 to 360 days	981	1,640
Over 360 days	3,206	3,471
	65,651	42,865
Less: Impairment allowance	(3,926)	(4,850)
Total	61,725	38,015

### 13. Trade and Bills Payable

An ageing analysis of the Group's trade and bills payable as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Within 90 days	33,545	35,218
91 to 180 days	1,098	1,736
181 to 360 days	806	814
Over 360 days	1,576	1,252
Total	37,025	39,020

The trade and bills payable are non-interest-bearing and are normally settled on 30 to 90 days terms.

# Notes to the Condensed Consolidated Financial Statements (continued)

## 14. Interest-Bearing Bank and Other Borrowings

	30 June 2025			31 December 2024		
	Effective interest rate %	Maturity	HK\$'000 (unaudited)	Effective interest rate %	Maturity	HK\$'000 (audited)
<b>Current</b>						
Bank loans	2.18–4.17	2025–2026	100,616	HIBOR+1.45	2025	81,777
— secured						
Bank loans	3.20–3.50	2025–2026	87,845	3.30–3.40	2025	43,830
— unsecured						
Bank advance for discounted bills	3.50	2025–2026	21,319	2.34–2.80	2025	88,298
Subtotal			209,780			213,905
<b>Non-current</b>						
Bank loans	2.18–4.17	2026–2030	192,781	HIBOR+1.45	2026	109,348
— secured						
Total			402,561			323,253
				30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)	
Analysed into:						
Bank and other loans repayable:						
Within one year or on demand				209,780	213,905	
In the second year				25,693	109,348	
In the third to fifth years, inclusive				167,088	–	
Total				402,561	323,253	
Less: Amount classified as current portion				(209,780)	(213,905)	
Amount classified as non-current portion				192,781	109,348	

The above bank and other loans amounting to HK\$96,922,000 (2024: HK\$100,922,000) and HK\$305,639,000 (2024: HK\$222,331,000) are denominated in Hong Kong dollars and Renminbi, respectively.

## Notes to the Condensed Consolidated Financial Statements (continued)

### 15. Other Payables and Accruals

	Notes	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Other payables	(a)	51,890	46,992
Accruals		78,472	79,077
Contract liabilities	(b)	12,540	10,947
Total		142,902	137,016
Less: Amount classified as current portion		(140,648)	(134,762)
Amount classified as non-current portion		2,254	2,254

Notes:

- (a) Other payables are non-interest-bearing.
- (b) The contract liabilities represented the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period. The Group expects the transaction price allocated to the unsatisfied performance obligations will be recognised as revenue when the Group transfers goods to the customer.

As at 30 June 2025 and 31 December 2024, the contract liabilities included deferred revenue arising from the loyalty points VIP programme of the Group and short-term advances received from customers for the sale of goods.

# Notes to the Condensed Consolidated Financial Statements (continued)

## 16. Share Option Scheme

The Company adopted a share option scheme on 28 May 2020 (the “Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group. Details of the scheme are disclosed in the annual financial statements for the year ended 31 December 2024.

Set out below are the outstanding share options under the Share Option Scheme as at 30 June 2025:

Name or category of participant	Number of share options					At 30 June 2025 (unaudited)	Date of grant of share options	Exercise period of share options	Exercise price of share options HK\$ per share
	At 1 January 2025 (audited)	Granted during the period	Lapsed during the period	Cancelled during the period	Exercised during the period				
<b>Executive directors</b>									
Madam Ngok Ming Chu	1,300,000	-	-	-	-	1,300,000	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
Ms. Cheng Pik Ho Liza	1,220,000	-	-	-	-	1,220,000	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
Mr. Cheng Chuen Chuen	295,000	-	-	-	-	295,000	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
Ms. Lu Qun	665,000	-	-	-	-	665,000	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
<b>Independent non-executive directors</b>									
Mr. Lau Siu Ki	100,000	-	-	-	-	100,000	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
Mr. Lee Kwan Hung	100,000	-	-	-	-	100,000	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
Prof. Lee T. S.	100,000	-	-	-	-	100,000	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
<b>Substantial shareholder and his associate</b>									
Mr. Cheng Man Tai <sup>(2)</sup> (deceased)	1,430,000	-	(1,430,000)	-	-	-	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
Ms. Cheng Tsz Kwan <sup>(3)</sup>	185,000	-	-	-	-	185,000	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
<b>Other employees</b>									
In aggregate	11,925,000	-	-	-	-	11,925,000	30 December 2020	30 December 2021 to 29 December 2025 <sup>(1)</sup>	1.02
	17,320,000	-	(1,430,000)	-	-	15,890,000			



# Notes to the Condensed Consolidated Financial Statements (continued)

## 16. Share Option Scheme (continued)

Notes:

- (1) Share options granted under the Share Option Scheme shall vest in the grantees in accordance with the timetable below:
  - 30% of such options were vested on 30 December 2021 with an exercise period from 30 December 2021 to 29 December 2025;
  - 30% of such options were vested on 30 December 2022 with an exercise period from 30 December 2022 to 29 December 2025; and
  - the remaining 40% of such options were vested on 30 December 2023 with an exercise period from 30 December 2023 to 29 December 2025.
- (2) The late Mr. Cheng Man Tai had been the consultant of the Company and the spouse of Madam Ngok Ming Chu.

The share options previously granted to the late Mr. Cheng expired on 19 June 2025 in accordance with the rules of the Share Option Scheme.

- (3) Ms. Cheng Tsz Kwan is the Senior Sales and Marketing Manager and granddaughter of the late Mr. Cheng Man Tai and Madam Ngok Ming Chu.

## 17. Commitments

At the end of the reporting period, the Group had the following commitments:

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Contracted for commitments in respect of the acquisition of property, plant and equipment	106,450	102,346

## 18. Approval of the Condensed Consolidated Financial Statements

The condensed consolidated financial statements were approved and authorised for issue by the Board on 29 August 2025.

# Management Discussion and Analysis

## Business and Operations Review

The first half of 2025 witnessed a complex and volatile international landscape, marked by severe disruptions to the economic and trade order, and heightened instability and uncertainty. Amidst a sluggish global economic recovery, China's economy pressed ahead under pressure. Benefitting from resilient exports, stimulus from China's trade-in programme against a low base, and the implementation of planned supportive measures, resulting in a sustained overall stable economic performance. According to the National Bureau of Statistics, China's gross domestic product (GDP) grew by 5.3% year on year during the first half of 2025.

China's economy continued its stable and improving trajectory. However, the market recovery was uneven, with robust exports masking persistent weakness in domestic demand. Since March, several policies aimed at stimulating consumption have been introduced intensively. In the first half of 2025, 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. Total retail sales of consumer goods grew by 5.0% year on year. By consumption type, retail sales of goods increased by 5.1% year on year. However, retail sales of clothes, shoes, hats, and textiles grew by only 3.1%, indicating significant divergence across categories. By retail format, retail sales of physical department store and branded specialty stores rose by only 1.2% and 2.4%, respectively. These figures further underscore that the endogenous momentum of consumption growth remained insufficient. 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.

For the six months ended 30 June 2025 (the "Current Period"), the Group recorded revenue of HK\$604,528,000 (2024: HK\$631,392,000). Compared to the six months ended 30 June 2024 (the "Prior Period"), the Group recognised a decrease in fair value changes on investment properties and other asset impairment during the Current Period. Consequently, the loss attributable to owners of the Company narrowed to approximately HK\$57,959,000 from HK\$82,235,000 in the Prior Period. Loss per share was 13.72 HK cents (2024: 19.47 HK 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.

## Management Discussion and Analysis (continued)

### Business and Operations Review (continued)

#### Brand management

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 market share while consolidating its flagship brand, **EMBRY FORM**, which contributed most of the sales.

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 (宋軾). 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 (宋軾) and the brand image was well-received by consumers, driving increased sales of **EMBRY FORM** products.

In the first half of 2025, online consumption penetration in the domestic market gradually stabilised, with the broader e-commerce sector maintaining steady growth. Structural shifts emerged in traffic channels, as e-commerce platforms progressively transitioned from traditional “shelf e-commerce” towards “content-driven e-commerce”. The Group kept pace with these developments by prioritising upgrades to its e-commerce operating system. This involved actively generating high-quality content, strengthening brand visibility across major mainstream platforms, and deploying a comprehensive multi-channel social media traffic strategy. The Group enhanced its reach by capitalising on trending topics in real-time and leveraged partnerships with Key Opinion Leaders (KOLs) to precisely connect with target customer segments through interactive content. During the Current Period, the Group’s e-commerce sales increased by 7.6% year on year, contributing 39% of the Group’s total revenue. Notably, content-driven e-commerce models such as livestreaming on Douyin and WeChat Channels (視頻號) delivered significant growth contributions.

## Management Discussion and Analysis (continued)

### Business and Operations Review (continued)

#### Brand management (continued)

In response to China's strategic goals of "carbon peaking" and "carbon neutrality", the Group actively implemented its green development philosophy. During the Current Period, it once again launched the Eco Month initiative, taking concrete actions to conserve energy and reduce emissions. Upholding its "green, low carbon" and "sustainable" brand concepts, the Group introduced the "Garment Renewal Programme (舊衣煥新)", which standardises the refurbishment process and incorporates professional recycling facilities in retail stores, effectively integrating environmental advocacy with commercial value. Furthermore, the Group hosted multiple "Blue Ribbon Salon Livestream (藍絲帶沙龍直播)" events, maintaining its focus on women's health and reinforcing its positioning as both 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)" and as a leading environmental advocate in the industry.

#### Sales network

In the first half of 2025, 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. As of 30 June 2025, the Group had a total of 761 retail outlets, including 629 concessionary counters and 132 retail stores, representing a net decrease of 50 retail outlets as compared to the end of 2024.

During the Current Period, the Group continued to operate online mirror stores with product information synchronised with physical retail stores, mutual empowering online and offline channels to drive traffic. This approach provided a convenient alternative shopping option to customers, which helped optimise store inventory deployment and management.

## Management Discussion and Analysis (continued)

### Business and Operations Review (continued)

#### Product design, research and development

The Group has always been committed to excellent product quality and comfortable wearing experience. To meet consumer demand for environmentally friendly and lightweight underwear products, the Group continued to upgrade product designs and source suitable materials while ensuring a comfortable fit and design. The Group has also continued to use green, environmentally friendly, and non-polluting raw materials, committing to sustainable development at the source of production.

Due to shifts in market conditions, the Group further intensified the development of products for online shopping during the Current Period by optimising the diversity, adaptability and cost-performance of products, thereby tapping into younger consumers market and driving steady growth in e-commerce sales. To cater to increasingly diversified consumer demands, the Group extensively developed functional fabrics for product applications, keeping on the development of new patented core competitive products. In the increasingly refined segments of the underwear market, the Group strived to maintain its market position in the highly competitive market.

During the Current Period, the Group launched a full range of popular new collections, including: **EMBRY FORM**'s "Enchanted Rose (玫瑰物語)" and "Airy Exclusive (輕盈限定)"; **FANDECIE**'s "Crystal Lover (水晶戀人)" and "Shine Chic (閃耀型凍)"; **COMFIT**'s "Ultimate Contour 2.0 (極致美型2.0)"; **LIZA CHENG**'s "Classic Collection Clean Fit (經典系列 Clean Fit)" and "Exquisite Collection Rococo (臻致系列 Roccoco)"; **E-BRA**'s "V-Collection (V 系列)"; and **IVU**'s "Platinum Silk Sleep 2025 (鉑金絲眠2025)".

The Group advocates for environmentally sound production processes while prioritising the health, comfort and eco-friendliness of its products for women. The Group has continued to strengthen the research and development of its green products, and launched the new "Breeze Nest Cup (風巢杯)" collections during the Current Period, which incorporates bio-based sustainable materials for bra underbands and straps, utilises lightweight mesh fabrics, and features 3D honeycomb ventilation technology. These advancements actively demonstrate the Group's commitment to low-carbon and environmental practices while delivering enhanced breathability and wearer comfort for consumers.

## Management Discussion and Analysis (continued)

### Business and Operations Review (continued)

#### Product design, research and development (continued)

In the first half of 2025, the Group obtained three invention patents, six utility model patents and two design patents in China. As at 30 June 2025, the Group had a total of 145 patents, including 16 invention patents, 85 utility model patents and 44 design patents.

#### Production capacity

The Group operates production bases in Jinan, Shandong Province, and Changzhou, Jiangsu Province, with the Shandong plant equipped with intelligent warehouses for finished goods and materials. In response to market changes, the Group carefully analyses sales performance, and market trends and leverages flexible and adaptable supply chain resources to timely review and adjust supply volume, maximising efficiency and enhancing supply chain responsiveness.

To achieve sustainable development, the Group's Shandong Industrial Park prioritises low-carbon operations and environmental responsibility at the source. The industrial park utilises geothermal energy to tap the renewable energy, and adopts energy efficient features such as thermal insulation, energy-saving walls, and natural lighting to reduce the environmental impact. Besides, the Group's proprietary packaging machines use degradable plastic products to minimise pollution.

#### Human resources

The Group understands that employees are one of the cornerstones of the Group's operations. It not only trained its employees and improved their welfare but also reviewed the internal management culture from time to time to enhance the sense of belonging among the employees. Meanwhile, the Group also actively improved production technology together with the utilisation of automated logistics system, improved the workflow of employees, and raised production efficiency, to mitigate the pressure of overall cost increase and improve operational efficiency.

As at 30 June 2025, the total number of employees of the Group was 3,865 (31 December 2024: 3,949). Total staff cost (including wages and basic salaries, commissions, bonuses, contributions to the retirement benefits scheme, share option scheme but excluding directors' and chief executive's remunerations) for the Current Period was HK\$202,923,000 (2024: HK\$210,021,000).

# Management Discussion and Analysis (continued)

## Financial Review

### Revenue

Amid the weak domestic consumer sentiment, revenue for the Current Period was HK\$604,528,000 (2024: HK\$631,392,000), representing a decrease of 4.3% from the Prior Period, and the Group's revenue from Chinese Mainland market decreased by approximately 3.2% year on year at constant exchange rates.

During the Current Period, the Group recorded significant growth in sales on e-commerce platforms, with online sales increasing by 7.6% year on year to HK\$236,828,000 in the first half of 2025. Its contribution to total revenue increased to 39.2% from 34.9% in the same period last year. This growth was primarily driven by the Group's strategic alignment with online consumption trends through enhanced e-commerce operations and supply chain management. Meanwhile, revenue from retail sales was HK\$346,363,000, representing a decrease of 11.9% from the Prior Period, accounting for 57.3% of the Group's total revenue. This contraction was mainly attributable to the challenging physical retail environment, which prompted the Group's strategic closure of certain offline stores. Facing these market headwinds, the Group intensified promotional activities in the second quarter, which contributed to a material quarter-on-quarter improvement in offline retail performance, with the rate of decline narrowing markedly as compared to the first quarter.

The Chinese Mainland market is the main source of income for the Group. During the Current Period, revenue from the mainland market was HK\$582,494,000, accounting for 96.4% of the Group's total revenue.

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, 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.

Lingerie continues to be the core product line of the Group. During the Current Period, sales of underwear amounted to HK\$505,936,000, representing 83.7% of the revenue of the Group. Sales of sleepwear amounted to HK\$72,568,000, accounting for 12.0% of the revenue of the Group, while sales of swimwear amounted to HK\$9,020,000, accounting for 1.5% of the revenue of the Group.

# Management Discussion and Analysis (continued)

## Financial Review (continued)

### Gross profit

During the Current Period, the Group recorded a gross profit of approximately HK\$442,309,000 (2024: HK\$478,324,000), representing a decrease of 7.5% from the Prior Period. The overall gross profit margin decreased by 2.6 percentage points year on year to 73.2%. The decrease was primarily attributable to the increased discounting as part of intensified promotional efforts, aiming to boost sales volume and stabilise the overall revenue.

### Operating expenses

During the Current Period, selling and distribution expenses decreased by 3.3% year on year to HK\$408,005,000 (2024: HK\$422,004,000), accounting for 67.5% (2024: 66.8%) 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. The Group continued to allocate resources in sales and marketing during the Current Period, including 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 (2024: HK\$80,196,000), representing a decrease of 6.1% as compared to the same period last year, accounting for 12.5% (2024: 12.7%) of the Group's revenue.

### Changes in fair value of investment properties and impairment of other asset

In the Current Period, changes in fair value of investment properties and impairment of other asset decreased significantly as compared with the Prior Period. Due to the prolonged sluggish property markets in the Chinese Mainland and Hong Kong in the Current Period, and with reference to the market price movements of surrounding properties, the fair value of the Group's investment properties in two Chinese Mainland locations, Shanghai and Changzhou, as well as in Hong Kong, declined by an aggregate amount of approximately HK\$14,349,000 for the Current Period (2024: HK\$43,674,000). In addition, the Group recognised an impairment of approximately HK\$5,484,000 (2024: HK\$22,065,000) with respect to the Group's other asset in Shenzhen, the PRC, which represents the right to receive the new properties pursuant to a relocation arrangement in 2017.



# Management Discussion and Analysis (continued)

## Financial Review (continued)

### Impairment of right-of-use assets and other expenses

The Group made provisions for impairment of right-of-use assets in retail stores and concessionary counters of approximately HK\$2,162,000 for the Current Period (2024: HK\$8,737,000). Other expenses amounted to HK\$486,000 (2024: HK\$1,495,000).

### Income tax

The Group recorded an income tax of approximately HK\$3,802,000 for the Current Period (2024: income tax credit of HK\$17,034,000).

### Loss

During the Current Period, loss attributable to owners of the Company was HK\$57,959,000 (2024: HK\$82,235,000), mainly attributable to the operating loss and the above-mentioned changes in fair value of investment properties and impairment of other asset.

### Liquidity and financial resources

The Group finances its operations mainly with internally generated cash flows. Financial position of the Group remained healthy during the Current Period. As at 30 June 2025, the Group's cash and cash equivalents amounted to approximately HK\$212,742,000 (31 December 2024: HK\$163,434,000). As at 30 June 2025, the Group's interest-bearing bank borrowings amounted to HK\$402,561,000 (31 December 2024: HK\$323,253,000). As at 30 June 2025, equity attributable to owners of the Company was HK\$1,727,410,000 (31 December 2024: HK\$1,722,552,000); the gearing ratio of the Group was approximately 23.3% (31 December 2024: 18.8%).

### Capital expenditure

During the Current Period, the capital expenditure of the Group amounted to HK\$3,497,000 (2024: HK\$5,615,000), which was mainly used for motor vehicles and computer software. As at 30 June 2025, the capital commitments of the Group amounted to HK\$106,450,000 (31 December 2024: HK\$102,346,000), which were contracted but not provided for in the financial statements.

# Management Discussion and Analysis (continued)

## Financial Review (continued)

### Charge on the Group's assets

As at 30 June 2025, the Group pledged investment properties, buildings and right-of-use assets in Hong Kong and Changzhou with net book values of HK\$227,874,000, HK\$186,546,000 and HK\$14,325,000, respectively, to bank to finance loans. In addition, the Group pledged buildings in Shenzhen with a net book value of HK\$1,234,000 to bank to finance loans.

### Capital structure

As at 30 June 2025, the total issued share capital of the Company was HK\$4,224,000 (31 December 2024: HK\$4,224,000), comprising 422,416,638 (31 December 2024: 422,416,638) ordinary shares of HK\$0.01 each.

### Significant investment held, material acquisitions and disposals of subsidiaries and associated companies

During the Current Period, the Group was neither involved in any significant investment, nor any material acquisitions or disposals of any subsidiaries or associated companies.

### Foreign currency exposure

The Group carries out its transactions mainly in Hong Kong dollars and Renminbi. The Group does not use derivative financial instruments to protect against the volatility associated with foreign currency transactions and other financial assets and liabilities created in the ordinary course of the business.

### Contingent liabilities

As at 30 June 2025, bank guarantees given in lieu of the Group's property rental deposits and utility deposits amounted to HK\$646,000 (31 December 2024: HK\$646,000). Save as disclosed above, the Group had no other significant contingent liabilities, nor any litigation or arbitration of material importance.

## Management Discussion and Analysis (continued)

### Prospect

Looking ahead to the second half of the year, the global economic recovery remains constrained by weak momentum, compounded by Sino-US trade frictions, geopolitical risks, and volatile international demand. China's economy continues to face significant domestic and external headwinds. Notwithstanding persistent external uncertainties and ongoing structural adjustment pressures domestically, 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. Against the backdrop of moderate-income growth projections, a rational approach to spending is driving consumers to favour value-for-money products that offer a good balance of quality and affordability.

Facing the current consumption environment, the Group, leveraging its profound experience and brand strength accumulated in China's women's lingerie industry, combined with flexible adaptability, is confident in consolidating its market position. 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.

## Management Discussion and Analysis (continued)

### Prospect (continued)

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.

# Other Information

## Directors’ and Chief Executive’s Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2025, the interests and short positions of the Directors and chief executive of the Company in the share capital and underlying shares of the Company or its associated corporations (the “Associated Corporation(s)”) (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules, were as follows:

Long positions in ordinary shares of the Company:

Name of director	Capacity and nature of interest	Shares/equity derivatives	Number of shares/equity derivatives held	Percentage of the Company’s issued share capital
Madam Ngok Ming Chu	Interest of controlled corporation	Ordinary shares (Note 1)	104,385,001	24.71
	Beneficial owner	Share options (Note 2)	1,300,000	0.31
	Interest of spouse	Ordinary shares (Note 3)	45,263,151	10.72
Ms. Cheng Pik Ho Liza	Beneficial owner	Ordinary shares	60,087,577	14.22
	Beneficial owner	Share options (Note 2)	1,220,000	0.29
Mr. Cheng Chuen Chuen	Beneficial owner	Ordinary shares	28,094,709	6.65
	Beneficial owner	Share options (Note 2)	295,000	0.07

## Other Information (continued)

### Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares (continued)

Name of director	Capacity and nature of interest	Shares/equity derivatives	Number of shares/equity derivatives held	Percentage of the Company's issued share capital
Ms. Lu Qun	Beneficial owner	Ordinary shares	1,024,057	0.24
	Beneficial owner	Share options (Note 2)	665,000	0.16
Mr. Lau Siu Ki	Beneficial owner	Ordinary shares	768,000	0.18
	Beneficial owner	Share options (Note 2)	100,000	0.02
Mr. Lee Kwan Hung	Beneficial owner	Ordinary Shares	487,000	0.12
	Beneficial owner	Share options (Note 2)	100,000	0.02
Prof. Lee T. S.	Beneficial owner	Ordinary Shares	604,000	0.14
	Beneficial owner	Share options (Note 2)	100,000	0.02

Notes:

1. These shares are held by Teamway Holdings Limited ("Teamway"). Teamway is wholly owned by Madam Ngok Ming Chu.
2. These represent the number of shares which will be allotted and issued to the respective directors upon the exercise of the share options granted to each of them under the share option scheme adopted on 28 May 2020 (the "Share Option Scheme"). Details of the Share Option Scheme are disclosed in note 16 to the condensed consolidated financial statements.
3. Madam Ngok Ming Chu is deemed to be interested in the shares personally held by her spouse, the late Mr. Cheng Man Tai, pursuant to Part XV of the SFO.

## Other Information (continued)

### Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares (continued)

Long positions in ordinary shares of an Associated Corporation:

Name of director	Name of Associated Corporation	Relationship with the Company	Number of shares held	Capacity and nature of interest	Percentage of the Associated Corporation's issued share capital
Madam Ngok Ming Chu	Teamway	Substantial shareholder	1 share of HK\$1 each	Beneficial owner	100

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executive of the Company had registered an interest or short position in the shares, underlying shares of the Company or any of its Associated Corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### Directors' Rights to Acquire Shares or Debentures

Save as disclosed in note 16 to the condensed consolidated financial statements, at no time during the Current Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

### Share Option Scheme

The numbers of share options available for grant under the mandate limit of the Share Option Scheme as at 1 January 2025 and 30 June 2025 were 24,921,663 and 26,351,663 respectively.

## Other Information (continued)

### Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares

As at 30 June 2025, the following interests of 5% or more of the issued share capital of the Company (other than the interests of the Directors as disclosed above) were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Long positions in ordinary shares of the Company:

Name	Capacity and nature of interest	Shares/equity derivatives	Number of shares/equity derivatives held	Percentage of the Company's issued share capital
Teamway	Beneficial owner	Ordinary shares <sup>(Note 1)</sup>	104,385,001	24.71
Harmonious World Limited	Beneficial owner	Ordinary shares <sup>(Note 2)</sup>	41,634,931	9.86
Sinowide Investments Limited	Beneficial owner	Ordinary shares	30,000,000	7.10
Value China Fund	Beneficial owner	Ordinary shares	21,475,000	5.08
Mr. Cheng Man Tai* (deceased)	Interest of controlled corporation	Ordinary shares <sup>(Note 3)</sup>	41,634,931	9.86
	Beneficial owner	Ordinary shares	3,628,220	0.86
	Interest of spouse	Ordinary shares <sup>(Note 4)</sup>	104,385,001	24.71
	Interest of spouse	Share options <sup>(Note 4)</sup>	1,300,000	0.31
Ms. Wong Oi Fan	Interest of spouse	Ordinary shares <sup>(Note 5)</sup>	28,094,709	6.65
	Interest of spouse	Share options <sup>(Note 5)</sup>	295,000	0.07
Ms. Cheng Tsz Kwan	Beneficial owner	Ordinary shares <sup>(Note 6)</sup>	22,366,661	5.29
	Beneficial owner	Share options <sup>(Note 7)</sup>	185,000	0.04
Mr. Pun Hiu Lok	Interest of spouse	Ordinary shares <sup>(Note 8)</sup>	22,366,661	5.29
	Interest of spouse	Share options <sup>(Note 8)</sup>	185,000	0.04
Mr. Cheng Ka Hei	Beneficial owner	Ordinary shares <sup>(Note 9)</sup>	22,064,732	5.22
Ms. Mei Zhen	Interest of spouse	Ordinary shares <sup>(Note 10)</sup>	22,064,732	5.22

\* Mr. Cheng Man Tai passed away on 19 June 2024.



## Other Information (continued)

### Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares (continued)

Notes:

1. The relationship between Teamway and Madam Ngok Ming Chu is disclosed under the section "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares".
2. Harmonious World Limited ("Harmonious World") is wholly owned by the late Mr. Cheng Man Tai.
3. These shares are held by Harmonious World.
4. The late Mr. Cheng Man Tai is deemed to be interested in the shares and share options personally held or controlled by his spouse, Madam Ngok Ming Chu, pursuant to Part XV of the SFO.
5. Ms. Wong Oi Fan is the spouse of Mr. Cheng Chuen Chuen, an executive director of the Company. She is deemed to be interested in the shares and share options personally held by her spouse pursuant to Part XV of the SFO.
6. Ms. Cheng Tsz Kwan is the granddaughter of the late Mr. Cheng Man Tai and Madam Ngok Ming Chu.
7. These represent the number of shares which will be allotted and issued to Ms. Cheng Tsz Kwan upon the exercise of the share options granted to her under the Share Option Scheme.
8. Mr. Pun Hiu Lok is the spouse of Ms. Cheng Tsz Kwan. He is deemed to be interested in the shares and share options personally held by his spouse pursuant to Part XV of the SFO.
9. Mr. Cheng Ka Hei is the grandson of the late Mr. Cheng Man Tai and Madam Ngok Ming Chu.
10. Ms. Mei Zhen is the spouse of Mr. Cheng Ka Hei. She is deemed to be interested in the shares personally held by her spouse pursuant to Part XV of the SFO.

Save as disclosed above, as at 30 June 2025, no person, other than the Directors, whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

## Other Information (continued)

### Review of Interim Financial Information

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group, the unaudited condensed consolidated financial statements of the Group for the Current Period and discussed risk management, internal controls and financial reporting matters.

The external auditor of the Company has reviewed the condensed consolidated financial statements for the six months ended 30 June 2025 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 HKICPA.

### Interim Dividend

On 29 August 2025, the Board resolved not to declare the payment of an interim dividend for the six months ended 30 June 2025.

## Other Information (continued)

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

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any listed securities (including sale of treasury shares) of the Company during the Current Period.

As at 30 June 2025, there were no treasury shares held by the Company.

### **Compliance with the Corporate Governance Code**

In the opinion of the Directors, the Company has complied with all applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules throughout the Current Period.

### **Model Code for Securities Transactions**

The Company has adopted a code of conduct regarding Directors' and employees' securities transactions on terms no less exacting than the required standard set out in the Model Code (the "Securities Dealing Code"). Having made specific enquiries of all Directors and members of the senior management, they have confirmed that they had complied with the required standard as set out in the Securities Dealing Code during the Current Period.

On behalf of the Board

**Ngok Ming Chu**  
*Chairman*

Hong Kong  
29 August 2025

# Independent Review Report



**To the board of directors of Embry Holdings Limited**  
(Incorporated in the Cayman Islands with limited liability)

## Introduction

We have reviewed the condensed consolidated financial statements of Embry Holdings Limited (the “Company”) and its subsidiaries set out on pages 3 to 24, which comprise the condensed consolidated statement of financial position as at 30 June 2025, and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and 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* (“HKAS 34”) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review. Our report is made 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.

# Independent Review Report (continued)

## 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

### Ernst & Young

*Certified Public Accountants*  
27/F, One Taikoo Place  
979 King's Road  
Quarry Bay  
Hong Kong

29 August 2025