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EMBRY HOLDINGS LIMITED
安莉芳控股有限公司

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

(1) POSITIVE PROFIT ALERT
AND
(2) ANNOUNCEMENT ON SALES UPDATE
FOR THE PERIOD FROM APRIL TO JUNE OF 2023

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 Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

POSITIVE PROFIT ALERT

The board (the “**Board**”) of directors of the Company (the “**Directors**”) wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Company and the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2023 (the “**Interim Period**”), it is expected that the Group will record a net profit of approximately HK\$5.0 million for the Interim Period, representing an increase of over three times from approximately HK\$1.116 million due to a low base effect during the corresponding period in 2022. The expected increase in the net profit of the Group for the Interim Period was mainly attributable to (i) the decrease in other expenses, in particular the reversal of previous recognised impairment of right-of-use assets of the Group and (ii) the recognition of tax credit of the Group.

SALES UPDATE FOR THE PERIOD FROM APRIL TO JUNE OF 2023

During the period from April to June 2023 (the “**Q2 Period**”), overall sales of the Group for the Q2 Period stayed flat as compared to the same period of last year, mainly attributable to the depreciation of Renminbi during the Q2 Period, whereas at constant exchange rate, the Group’s sales from the mainland China market increased by around 5% as compared to the same period of last year. During the Q2 Period, for stores that had been in operation for more than 18 months, same store sales recorded a single-digit decrease year on year. As at the end of June 2023, there were a total of 1,039 retail outlets, comprising 872 concessionary counters and 167 retail shops. The number of retail outlets net decreased by 45 as compared to the end of December last year. Since the Group has been in the process of adjusting its sales network, the Group will continue to close stores with lower efficiency during 2023 to enhance overall operational efficiency.

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 Interim Period. The Group's interim results are subject to review by the Board, the audit committee of the Board and the Company's independent auditor. Therefore, the actual results of the Group for the Interim Period may differ from the information contained in this announcement. Shareholders of the Company and potential investors are advised to refer to the details in the results announcement of the Company for the Interim Period, which will be released no later than the end of August 2023.

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

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

Hong Kong, 3 August 2023

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