EMBRY HOLDINGS LIMITED
安莉芳控股有限公司

Incorporated in the Cayman Islands with limited liability
Stock Code: 1388

STRIVING FOR EXCELLENCE
追求卓越

2026
INTERIM REPORT

Contents

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

Leong Kai Weng Subrina (appointed on 15 July 2026)
SO Ka Man (Resigned on 15 July 2026)

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

Nanyang Commercial Bank, 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.
Agricultural Bank of China Limited
Qilu Bank Co., Ltd.
China CITIC Bank Corporation Limited

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 under the Accounting and Financial Council Ordinance

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 Limited

Website

www.embrygroup.com

Stock Code

1388

Unaudited Condensed Consolidated Financial Statements

Condensed Consolidated Income Statement

For the six months ended 30 June 2026

		Six months ended 30 June	
	Notes	**2026 HK$'000 (unaudited)**	2025 HK$'000 (unaudited)
REVENUE	*3*	**622,255**	604,528
Cost of sales		**(175,258)**	(162,219)
Gross profit		**446,997**	442,309
Other income and gains, net	*4*	**20,234**	16,823
Selling and distribution expenses		**(424,382)**	(408,005)
Administrative expenses		**(65,731)**	(75,265)
Changes in fair value of investment properties		**(5,045)**	(14,349)
Impairment of other asset		**(5,705)**	(5,484)
Impairment of right-of-use assets		**(4,072)**	(2,162)
Other expenses, net	*5*	**(801)**	(486)
Finance costs	*6*	**(9,145)**	(7,538)
LOSS BEFORE TAX	*7*	**(47,650)**	(54,157)
Income tax expense	*8*	**(1,071)**	(3,802)
LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY		**(48,721)**	(57,959)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	*11*		
— Basic (HK cents)		**(11.53)**	(13.72)
— Diluted (HK cents)		**(11.53)**	(13.72)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
LOSS FOR THE PERIOD	**(48,721)**	(57,959)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to the income statement in subsequent periods:		
Exchange differences arising on translation of foreign operations	**54,464**	59,132
Other comprehensive income that will not be reclassified to the income statement in subsequent periods:		
Revaluation surplus	**–**	4,915
Deferred tax debited to asset revaluation reserve	**–**	(1,230)
Net other comprehensive income that will not be reclassified to the income statement in subsequent periods	**–**	3,685
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**54,464**	62,817
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY	**5,743**	4,858

Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*12*	**582,171**	570,912
Investment properties		**474,083**	465,702
Right-of-use assets		**119,746**	114,448
Other asset		**330,667**	325,222
Deferred tax assets		**82,862**	81,602
Deposits and other receivables		**22,767**	12,805
Interests in an associate		**621**	600
Total non-current assets		**1,612,917**	1,571,291
CURRENT ASSETS			
Inventories		**445,090**	431,150
Trade receivables	*13*	**101,370**	77,544
Prepayments, deposits and other receivables		**57,794**	53,936
Tax recoverable		**430**	370
Restricted bank balances		**41,379**	8,333
Cash and cash equivalents		**187,968**	181,456
Total current assets		**834,031**	752,789
CURRENT LIABILITIES			
Trade payables	*14*	**73,826**	48,597
Interest-bearing bank and other borrowings	*15*	**326,483**	229,556
Lease liabilities		**28,105**	30,604
Other payables and accruals	*16*	**138,860**	147,598
Total current liabilities		**567,274**	456,355
NET CURRENT ASSETS		**266,757**	296,434
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,879,674**	1,867,725

Condensed Consolidated Statement of Financial Position (continued)

30 June 2026

	Notes	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	*15*	**193,647**	204,023
Lease liabilities		**26,362**	12,337
Deferred tax liabilities		**102,597**	100,418
Other payables	*16*	**2,470**	2,092
Total non-current liabilities		**325,076**	318,870
NET ASSETS		**1,554,598**	1,548,855
EQUITY			
Equity attributable to owners of the Company			
Share capital		**4,224**	4,224
Reserves		**1,550,374**	1,544,631
TOTAL EQUITY		**1,554,598**	1,548,855

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the Company									
		Reserves								
	Share capital HK$'000 (unaudited)	Share premium account HK$'000 (unaudited)	Contributed surplus HK$'000 (unaudited)	Asset revaluation reserve HK$'000 (unaudited)	Enterprise expansion and statutory reserve funds HK$'000 (unaudited)	Exchange fluctuation reserve HK$'000 (unaudited)	Goodwill reserve HK$'000 (unaudited)	Retained profits HK$'000 (unaudited)	Total reserves HK$'000 (unaudited)	Total equity HK$'000 (unaudited)
At 1 January 2026 (audited)	4,224	386,512	122,610	49,046	192,154	(121,635)	(3,168)	919,112	1,544,631	1,548,855
Loss for the period	–	–	–	–	–	–	–	(48,721)	(48,721)	(48,721)
Exchange differences related to foreign operations	–	–	–	–	–	54,464	–	–	54,464	54,464
Total comprehensive income/(expense) for the period	–	–	–	–	–	54,464	–	(48,721)	5,743	5,743
At 30 June 2026	4,224	386,512	122,610	49,046	192,154	(67,171)	(3,168)	870,391	1,550,374	1,554,598

Condensed Consolidated Statement of Changes in Equity (continued)

For the six months ended 30 June 2025

	Attributable to owners of the Company										
		Reserves									
	Share capital HK$'000 (unaudited)	Share premium account HK$'000 (unaudited)	Contributed surplus HK$'000 (unaudited)	Asset revaluation reserve HK$'000 (unaudited)	Enterprise expansion and statutory reserve funds HK$'000 (unaudited)	Share option reserve HK$'000 (unaudited)	Exchange fluctuation reserve HK$'000 (unaudited)	Goodwill reserve HK$'000 (unaudited)	Retained profits HK$'000 (unaudited)	Total reserves HK$'000 (unaudited)	Total equity HK$'000 (unaudited)
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	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 Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	**(12,904)**	(18,939)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	**157**	970
Purchase of items of property, plant and equipment	**(1,419)**	(3,497)
Proceeds from disposal of items of property, plant and equipment	**70**	–
Increase in right-of-use assets	**–**	(7)
Increase in restricted bank balances	**(35,920)**	–
Decrease in restricted bank balances	**2,874**	–
Capital contribution to an associate	**–**	(297)
Net cash flows used in investing activities	**(34,238)**	(2,831)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank borrowings	**183,908**	121,692
Repayment of bank borrowings	**(109,241)**	(46,740)
Principal portion of lease payments	**(21,976)**	(19,645)
Interest paid	**(8,993)**	(7,538)
Net cash flows from financing activities	**43,698**	47,769
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(3,444)**	25,999
Cash and cash equivalents at beginning of period	**181,456**	163,434
Effect of foreign exchange rate changes, net	**9,956**	23,309
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**187,968**	212,742

Condensed Consolidated Statement of Cash Flows (continued)

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**187,968**	174,263
Non-pledged time deposits with original maturity of less than three months when acquired	**–**	38,479
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows and condensed consolidated statement of financial position	**187,968**	212,742

Notes to the Condensed Consolidated Financial Statements

1. Corporate Information

Embry Holdings Limited (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 2026 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 Company and its subsidiaries' (collectively referred to as the "Group") annual consolidated financial statements for the year ended 31 December 2025.

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 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

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

3. Revenue and Segment Information

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026 **HK$'000** **(unaudited)**	2025 HK$'000 (unaudited)
Revenue from contracts with customers		
Sales of goods	**622,255**	604,528

Segment information

The Group's primary operating segment is the manufacture and sale of ladies' brassieres, panties, swimwear, sleepwear and others. Since this is the only operating segment of the Group, no further analysis thereof is presented.

Disaggregated revenue information

	Six months ended 30 June	
	2026 **HK$'000** **(unaudited)**	2025 HK$'000 (unaudited)
Business activities		
Concessionary counters	**302,478**	297,897
Retail stores	**48,758**	48,466
Internet and wholesale	**268,732**	250,931
Original design manufacturer ("ODM")	**2,287**	7,234
	622,255	604,528

3. Revenue and Segment Information (continued)

Disaggregated revenue information (continued)

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Brands		
Embry Form	**399,577**	391,105
Others	**220,391**	206,189
ODM products	**2,287**	7,234
	622,255	604,528
Products		
Lingerie	**522,382**	505,936
Sleepwear	**79,696**	72,568
Swimwear	**7,522**	9,020
ODM products	**2,287**	7,234
Other products	**10,368**	9,770
	622,255	604,528
Geographical markets		
Chinese mainland	**606,288**	582,494
Hong Kong	**13,680**	14,800
Others	**2,287**	7,234
	622,255	604,528

4. Other Income and Gains, Net

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Other income		
Subsidy income*	**2,156**	2,469
Gross rental income from investment properties operating leases:		
Other lease payments, including fixed payments	**10,849**	7,991
Variable lease payments that do not depend on an index or a rate	**283**	285
Bank interest income	**230**	970
Gain/(loss) on termination of leases	**212**	(22)
Others	**3,025**	2,627
Subtotal	**16,755**	14,320
Gains, net		
Foreign exchange differences, net	**3,479**	2,503
Total	**20,234**	16,823

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

5. Other Expenses, Net

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Charitable donation	**7**	–
Loss on disposal/write-off of items of property, plant and equipment, net	**5**	–
Termination benefits	**789**	486
Total	**801**	486

6. Finance Costs

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Interest on interest-bearing bank borrowings	**8,033**	6,547
Interest on lease liabilities	**1,112**	991
Total	**9,145**	7,538

7. Loss Before Tax

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

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Cost of inventories sold	**175,258**	162,219
Depreciation of property, plant and equipment	**17,704**	18,889
Depreciation of right-of-use assets	**15,704**	14,682
Reversal of impairment of trade receivables, net	**(1,165)**	(924)
Lease payment not included in the measurement of lease liabilities	**97,264**	103,126
Advertising and counter decoration expenses	**87,486**	81,774
Provision/(write-back/write-off of provision) for obsolete inventories, net**	**2,326**	(13,023)
Impairment of right-of-use assets*	**4,072**	2,162
Loss on disposal/write-off of items of property, plant and equipment, net	**5**	–
(Gain)/loss on termination of leases	**(212)**	22

* During the period ended 30 June 2026, the impairment loss of HK$4,072,000 (2025: HK$2,162,000) 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 2026 were determined based on their value in use amounts estimated by using a discount rate of 12.6% (2025: 12.6%).

** The provision/(write-back/write-off of provision) for obsolete inventories, net is included in cost of inventories sold above.

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 (2025: 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	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Deferred	**1,071**	3,802
Total tax charge for the period	**1,071**	3,802

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	
	Notes	**2026** **HK$'000** **(unaudited)**	2025 HK$'000 (unaudited)
Continuing transactions			
Rental expenses for a warehouse charged by a director of the Company	*(i)*	**126**	168

Notes:

(i) 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.

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	
	2026 **HK$'000** **(unaudited)**	2025 HK$'000 (unaudited)
Short-term employee benefits	**6,088**	5,941
Post-employment benefits	**171**	155
Total compensation paid to key management personnel	**6,259**	6,096

10. Dividend

The board of directors does not recommend a payment of any dividend for the six months ended 30 June 2026 (2025: Nil).

11. 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	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Loss		
Loss attribute to owners of the Company, used in basic loss per share calculation	**(48,721)**	(57,959)

	Number of shares Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Shares		
Weighted average number of ordinary shares outstanding of the Company, used in the basic loss per share calculation	**422,416,638**	422,416,638

The Group had no potentially dilutive ordinary shares in issue during the period ended 30 June 2026.

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.

12. Property, Plant and Equipment

	Six months ended 30 June 2026 HK$'000 (unaudited)	Year ended 31 December 2025 HK$'000 (audited)
At beginning of period/year, net carrying amount	**570,912**	617,954
Additions	**4,571**	10,563
Disposals/write-off	**(35)**	(75)
Impairment	**–**	(40,389)
Depreciation provided during the period/year	**(17,704)**	(37,524)
Transfer to investment properties	**–**	(10,186)
Exchange realignment	**24,427**	30,569
At end of period/year, net carrying amount	**582,171**	570,912

13. 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.

13. 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 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Within 90 days	**97,425**	74,402
91 to 180 days	**3,685**	2,882
181 to 360 days	**168**	1,539
Over 360 days	**3,325**	2,999
	104,603	81,822
Less: Impairment allowance	**(3,233)**	(4,278)
Total	**101,370**	77,544

14. Trade Payables

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

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Within 90 days	**69,960**	45,197
91 to 180 days	**1,089**	724
181 to 360 days	**1,125**	768
Over 360 days	**1,652**	1,908
Total	**73,826**	48,597

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

15. Interest-Bearing Bank and Other Borrowings

	30 June 2026			31 December 2025		
	Effective interest rate %	**Maturity**	**HK$'000 (unaudited)**	Effective interest rate %	Maturity	HK$'000 (audited)
Current						
Bank loans — secured	**2.80–4.17**	**2026–2027**	**125,103**	3.50–5.24	2026	101,556
Bank loans — unsecured	**2.90–3.20**	**2026–2027**	**80,690**	2.90–3.40	2026	89,111
Bank advance for discounted bills	**0.90–3.00**	**2026–2027**	**120,690**	0.91–2.23	2026	38,889
Total — Current			**326,483**			229,556
Non-current						
Bank loans — secured	**2.80–4.17**	**2027–2030**	**148,130**	3.58–5.24	2027–2030	182,134
Bank loans — unsecured	**2.90–3.10**	**2027–2028**	**45,517**	2.90	2028	21,889
Total — Non-current			**193,647**			204,023
Total			**520,130**			433,579

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Analysed into:		
Bank and other loans repayable:		
Within one year or on demand	**326,483**	229,556
In the second year	**86,253**	30,000
In the third to fifth years, inclusive	**107,394**	174,023
Total	**520,130**	433,579
Less: Amount classified as current portion	**(326,483)**	(229,556)
Amount classified as non-current portion	**193,647**	204,023

The above bank loans amounting to HK$76,922,000 (2025: HK$88,922,000) and HK$443,208,000 (2025: HK$344,657,000) are denominated in Hong Kong dollars and Renminbi, respectively.

16. Other Payables and Accruals

	Notes	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Other payables	*(a)*	**59,690**	53,344
Accruals		**67,992**	83,112
Contract liabilities	*(b)*	**13,648**	13,234
Total		**141,330**	149,690
Less: Amount classified as current portion		**(138,860)**	(147,598)
Amount classified as non-current portion		**2,470**	2,092

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 2026 and 31 December 2025, 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.

17. Commitments

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

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Contracted for commitments in respect of the acquisition of property, plant and equipment	**107,524**	103,949

18. Contingent Liabilities

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Bank guarantees given in lieu of property rental deposits and utility deposits	**277**	646

19. Approval of the Condensed Consolidated Financial Statements

The condensed consolidated financial statements were approved and authorised for issue by the board of directors on 28 August 2026.

Management Discussion and Analysis

Business and Operations Review

The first half of 2026 witnessed a complex and volatile global economic landscape, a general slowdown in global trade and significantly rising inflationary pressures in most economies. Despite the dual challenges posed by an increasingly severe external environment and ongoing internal structural adjustments, China's economy continued to operate within a reasonable range and achieved steady development. According to the National Bureau of Statistics, China's gross domestic product (GDP) grew by 4.7% year on year during the first half of 2026, demonstrating the resilience of the country's overall economy.

Although China's economy managed to withstand pressures and achieved growth, the imbalance between strong supply and weak demand remained pronounced, and consumer confidence continued to be subdued. In the first half of 2026, weighed down by factors such as the phase-out of government subsidy policies and frequent extreme weather events, total retail sales of consumer goods grew by only 1.3% year on year in the first half of the year. By consumption category, retail sales of goods increased by 1.1% year on year, among which, the clothes, shoes, hats and textiles category performed relatively steadily, registering a growth rate of 6.7%. By retail format, retail sales of specialty stores, department stores and branded specialty stores declined by 1.5%, 2.1% and 8.7%, respectively, highlighting that offline physical consumption scenarios were significantly constrained and that consumers' cautious spending sentiment remained unchanged. Meanwhile, consumers' expectations for underwear products in terms of functionality, comfort and cost-performance have been rising, which, coupled with upward cost pressures stemming from the macro-environment, posed multiple challenges to the operations of underwear retail industry.

For the six months ended 30 June 2026 (the "Current Period"), the Group recorded revenue of HK$622,255,000 (2025: HK$604,528,000), representing a slight increase of 2.9% compared to the six months ended 30 June 2025 (the "Prior Period"). Compared to the Prior Period, the Group recognised a decrease in fair value changes on investment properties and increase in other asset impairment during the Current Period. Consequently, the loss attributable to owners of the Company narrowed to approximately HK$48,721,000 from HK$57,959,000 in the Prior Period. Loss per share was 11.53 HK cents (2025: 13.72 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.

Business and Operations Review (continued)

Brand management

In the first half of 2026, the Group continued to leverage 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 catered to the segmented market by highlighting unique brand personalities to meet the needs and preferences of various customer groups. The Group enhanced the competitiveness and market share of its other brands while consolidating its flagship brand, ***EMBRY FORM***, which contributed most of the sales, and successfully transforming ***FANDECIE***'s operating model.

In terms of brand promotion, the Group continued to optimise its brand communication strategies, deepening its coordinated multi-channel and multi-media presence. Through targeted resource allocation and refined operations on social platforms, its brand visibility and market reach were significantly enhanced. During the Current Period, the Group leveraged celebrity endorsements and strategic collaborations to effectively expand its customer reach through the influence of celebrities. Specifically, ***EMBRY FORM*** invited actress Charmaine Sheh Sze Man (佘詩曼) to appear in a brand livestream on the WeChat Channels (視頻號) platform, successfully achieving dual breakthrough in brand visibility and sales conversion. Meanwhile, ***FANDECIE*** partnered with new celebrity spokesperson Wu Xin (吳昕), which received favourable market feedback and delivered particularly notable promotional results, effectively driving sales growth. In addition, the Group co-launched the "New Feminism" thematic campaign with ELLE Wonder Women, which generated efficient exposure of its brand while advocating for women's physical and mental well-being. The campaign received enthusiastic responses both online and offline. During the Current Period, by harnessing an integrated omni-channel promotional system that combined online and offline efforts, the Group continuously conducted high-quality user interactions, effectively strengthening user stickiness and consolidating customer loyalty, thereby supporting sales of ***EMBRY FORM*** products.

Business and Operations Review (continued)

Brand management (continued)

In the first half of 2026, domestic online consumption remained robust, with the growth rate of online retail sales of goods significantly outpacing that of the overall goods retail market, while livestream e-commerce continued to drive overall retail growth. In line with such trend, the Group continued to deepen its sales channel transformation, achieving full coverage of mainstream e-commerce platforms. It also continuously optimised its e-commerce operation system, strengthening its brand exposure across various platforms through the output of high-quality content. Furthermore, the Group actively built a comprehensive social media traffic ecosystem, rapidly responding to trending topics to expand its user reach; and by collaborating with celebrities and Key Opinion Leaders (KOLs), and employing diverse approaches such as livestreaming and interactive marketing, it precisely targeted its intended customer base, injecting sustained momentum into its online sales growth. The Group's e-commerce sales increased steadily by 8.9% year on year, contributing 41.5% of the Group's total revenue.

The outline of the 15th Five-Year Plan proposed taking the "dual carbon" goals (carbon peaking and carbon neutrality) as the driving force to strengthen the momentum for green transformation. The Group actively implemented its green development philosophy. During the Current Period, it launched the 25th Eco Month initiative and continued to roll out the "Garment Renewal Programme (舊衣煥新)", encouraging consumers to upcycle their used garments, while also setting up professional recycling facilities in its retail stores to translate energy conservation and emission reduction into tangible actions. In addition, the Group introduced the "Sustainable Underwear" thematic campaign and co-hosted an offline salon themed "Sustainable Beauty — Let Your Body and the Earth Breathe" with No.1 Yaohan in Shanghai, actively advocating a green and low-carbon lifestyle while caring for women's health, to further reinforce 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 a leading environmental advocate in the industry.

Business and Operations Review (continued)

Sales network

In the first half of 2026, the retail performance of offline physical stores was relatively weak, while the siphoning effect of online channels continued to intensify, with online consumption remaining a key driver of consumption growth. In response to the channel transformation trend, the Group actively expanded its online retail business. At the same time, amidst slowing demand at physical stores, the Group strategically adjusted the number of its offline outlets to enhance the operational efficiency of its overall sales network and optimise the sales mix between online and offline channels, aiming to achieve the most desirable channel mix. As of 30 June 2026, the Group had a total of 684 retail outlets, including 567 concessionary counters and 117 retail stores, representing a net decrease of 32 retail outlets as compared to the end of 2025.

Underwear products require precise tailoring and fit, making physical stores an indispensable touchpoints for product experience. The real-time synchronisation of product information between "physical retail stores" and "online mirror stores" enabled the Group's both channels to complement each other in driving traffic, providing consumers with a seamless shopping experience, and facilitating flexible inventory deployment as well as optimising stock management.

Product design, research and development

The Group remains committed to excellent product quality and comfortable wearing experience. To meet consumer demand for environmentally friendly and lightweight underwear products, the Group has continued to upgrade product designs and source suitable materials while ensuring 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.

In response to shifting market conditions, the Group further strengthened the development of products for online sales during the Current Period by optimising the diversity, adaptability and cost-performance of its products, thereby tapping into the younger consumer 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 and continued to develop new patented core competitive products. Against the backdrop of an increasingly segmented underwear market, the Group remains committed to consolidating its market position and maintaining its competitive advantages.

Business and Operations Review (continued)

Product design, research and development (continued)

During the Current Period, the Group launched a full range of popular new collections, including: ***EMBRY FORM***'s "For Sensitive Skin (敏肌友好)"; ***FANDECIE***'s "Chamomile (洋甘菊)"; ***COMFIT***'s "Creative Minimiser (創意減杯)"; ***LIZA CHENG***'s "Dream-Feel (眠感)"; ***E-BRA***'s "Premium Underwear (品質內衣)"; and ***IVU***'s "Breeze Nest COOL V (風巢COOL V)". The Group's innovative products also received high recognition from the industry. Leveraging its profound insight into women's lingerie demand and its continuous technological innovation, the Group won multiple awards at the 2026 BIDA (Best Intimate Apparel Design Awards), demonstrating its research and development strength and design leadership in the underwear industry.

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 expand its green product portfolio. In the first half of the year, bio-based underband technology was applied on a large scale across multiple collections, replacing conventional petrochemical raw materials with renewable plant-based materials, and bio-based elastic bands were applied in various bottoms products. Embry is committed to providing consumers with comfortable, healthy and high-quality choices through quantifiable environmental actions, while steadily reinforcing its leading position as the industry's green benchmark.

In the first half of 2026, the Group obtained 1 invention patent, 11 utility model patents and two design patents in China. As of 30 June 2026, the Group had a total of 156 patents, including 20 invention patents, 88 utility model patents and 48 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.

Business and Operations Review (continued)

Production capacity (continued)

To achieve sustainable development, as a state-level green plant, the Group's Shandong Industrial Park prioritises low-carbon operations and environmental responsibility at the source. The industrial park utilises geothermal energy as a renewable energy source, and adopts energy efficient features such as thermal insulation, energy-saving walls, and natural lighting to reduce the burden on the environment. 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 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 2026, the total number of employees of the Group was 3,696 (31 December 2025: 3,719). Total staff cost (including wages and basic salaries, commissions, bonuses, and contributions to the retirement benefits scheme but excluding directors' and chief executive's remunerations) for the Current Period was HK$212,854,000 (2025: HK$202,923,000).

Financial Review

Revenue

The revenue for the Current Period was HK$622,255,000 (2025: HK$604,528,000), representing an increase of 2.9% from the Prior Period.

The Group recorded steady growth in sales on e-commerce platforms, with online sales increasing by 8.9% year on year to HK$257,994,000 in the first half of 2026. Its contribution to total revenue increased to 41.5% from 39.2% 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$351,236,000, representing an increase of 1.4% from the Prior Period, accounting for 56.4% of the Group's total revenue.

Financial Review (continued)

Revenue (continued)

The Chinese Mainland market is the main source of income for the Group. During the Current Period, revenue from the mainland market was HK$606,288,000, accounting for 97.4% 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 64.2%. Revenue from ***EMBRY FORM*** amounted to HK$399,577,000, up by 2.2% 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$220,391,000, accounting for 35.4% of the total revenue. Among these brands, ***FANDECIE*** delivered an exceptionally strong performance in the second quarter, driven by its channel transformation strategy, the impact of celebrity endorsements and product strategies that closely aligned with market demand, with revenue more than doubling from the first quarter.

Lingerie continues to be the core product line of the Group. During the Current Period, sales of underwear amounted to HK$522,382,000, representing 83.9% of the revenue of the Group. Sales of sleepwear amounted to HK$79,696,000, accounting for 12.8% of the revenue of the Group, while sales of swimwear amounted to HK$7,522,000, accounting for 1.2% of the revenue of the Group.

Gross profit

During the Current Period, the Group recorded a gross profit of approximately HK$446,997,000 (2025: HK$442,309,000), representing a slight increase of 1.1% from the Prior Period. The overall gross profit margin decreased by 1.4 percentage points year on year to 71.8%. The decrease was primarily attributable to the write-back of inventory provision of HK$13,023,000 recorded in the same period last year, whereas a provision of HK$2,326,000 was made in the Current Period. Excluding the impact of inventory provision, the gross profit margin increased from 71.0% last year to 72.2%. The Group's ongoing focus on strengthening cost management was key to mitigating the impact of fluctuating oil prices and the consequent rise in petrochemical costs. At the same time, the Group leveraged its advantages in product material research and development, optimised the product mix, and concentrated promotional resources on clearing aged inventory to avoid price erosion of new full-price products, thereby safeguarding overall profit margins and maintaining the stability of the gross profit margin.

Financial Review (continued)

Operating expenses

During the Current Period, selling and distribution expenses increased by 4.0% year on year to HK$424,382,000 (2025: HK$408,005,000), accounting for 68.2% (2025: 67.5%) of the Group's revenue. The increase in expenses was mainly due to the Group's continued investment in sales and marketing during the Current Period, including increased spending on service fees for e-commerce livestreaming and offline store renovation costs, with the aim of enhancing the Group's brand awareness and promoting its overall sales performance.

Administrative expenses amounted to HK$65,731,000 (2025: HK$75,265,000), representing a decrease of 12.7% as compared to the same period last year, accounting for 10.6% (2025: 12.5%) of the Group's revenue. The decrease in expenses was mainly attributable to the Group's active cost control and the reversal of accrued expenses during the Current Period.

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

In the Current Period, a decrease in fair value changes on investment properties and increase in other asset impairment 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$5,045,000 for the Current Period (2025: HK$14,349,000). In addition, the Group recognised an impairment of approximately HK$5,705,000 (2025: HK$5,484,000) 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.

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$4,072,000 for the Current Period (2025: HK$2,162,000). Other expenses amounted to HK$801,000 (2025: HK$486,000).

Income tax

The Group recorded an income tax of approximately HK$1,071,000 for the Current Period (2025: HK$3,802,000).

Financial Review (continued)

Loss

During the Current Period, loss attributable to owners of the Company was HK$48,721,000 (2025: HK$57,959,000), 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 2026, the Group's cash and cash equivalents amounted to approximately HK$187,968,000 (31 December 2025: HK$181,456,000). As at 30 June 2026, the Group's interest-bearing bank borrowings amounted to HK$520,130,000 (31 December 2025: HK$433,579,000). As at 30 June 2026, equity attributable to owners of the Company was HK$1,554,598,000 (31 December 2025: HK$1,548,855,000); the gearing ratio of the Group was approximately 33.5% (31 December 2025: 28.0%), representing total debt divided by shareholders' equity.

Capital expenditure

During the Current Period, the capital expenditure of the Group amounted to HK$4,571,000 (2025: HK$3,497,000), which was mainly used for infrastructure construction at Shenzhen headquarters. As at 30 June 2026, the capital commitments of the Group amounted to HK$107,524,000 (31 December 2025: HK$103,949,000), which were contracted but not provided for in the financial statements.

Charge on the Group's assets

As at 30 June 2026, the Group pledged investment properties, buildings and right-of-use assets in Hong Kong and Changzhou with net book values of HK$217,700,000, HK$179,229,000 and HK$13,643,000, respectively, to bank to finance loans. In addition, the Group pledged buildings in Shenzhen with a net book value of HK$1,291,000 to bank to finance loans.

Capital structure

As at 30 June 2026, the total issued share capital of the Company was HK$4,224,000 (31 December 2025: HK$4,224,000), comprising 422,416,638 (31 December 2025: 422,416,638) ordinary shares of HK$0.01 each.

Financial Review (continued)

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 2026, bank guarantees given in lieu of the Group's property rental deposits and utility deposits amounted to HK$277,000 (31 December 2025: HK$646,000). Save as disclosed above, the Group had no other significant contingent liabilities, nor any litigation or arbitration of material importance.

Prospect

Looking ahead to the second half of the year, persistent geopolitical risks and trade frictions will continue to weigh on the global economy, which remains subject to downside risks. Amidst multiple external instabilities and uncertainties, China's economy is expected to maintain stable operation, supported and led by new growth drivers, and continue to develop in a high-quality and innovative manner. On the policy front, the Ministry of Commerce has issued the Opinions on Accelerating the Innovative Development of the Retail Industry (《關於加快零售業創新發展的意見》), which sets out the goal of establishing a well-structured and diversified modern retail system by 2030, while creating retail scenarios with strong driving force. Together with the continued implementation and enhancement of various consumption-boosting policies, this is expected to support a moderate recovery in consumer spending, with total retail sales of consumer goods likely to improve continuously in the second half of the year. From the perspective of the underwear sector itself, end-market sales are expected to sustain a moderate recovery, and professional product upgrading and new retail channel innovation may become key growth drivers in the forthcoming second half of the year. Nevertheless, as the composition of resident consumption gradually shifts from spending on physical goods to experience-oriented services, the recovery momentum of the underwear industry may be relatively weaker than that of the broader consumer market as a result.

Prospect (continued)

In the face of profound changes in the current consumer environment, the Group is confident in consolidating its market position by leveraging its extensive experience and brand strength accumulated in China's lingerie industry, combined with its flexible adaptability. In response to consumers' increasingly rational and prudent underwear purchasing behaviour, the Group continues to closely track market shifts and rapidly iterate its strategies across product development, manufacturing techniques, brand marketing and channel distribution, ensuring agile responses to market demands. The Group will persist in deepening the development of proprietary products, enhancing product suitability and market fit; while actively collaborating with low-carbon suppliers to scale up the research and development and rollout of eco-friendly product lines, thereby comprehensively addressing consumers' diverse demands for high-quality products, rational consumption values and green sustainable development.

In the future, the Group will continuously review and adjust its business strategies, while actively exploring opportunities in niche market segments. Keeping pace with e-commerce trends, it will strengthen its refined operation on online platforms and enhance brand awareness through an omni-channel strategy, further consolidating its competitive edge in online retail. At the same time, the Group will continue to collaborate and create synergy with celebrity endorsers to deepen brand influence and further expand its market share. In terms of production, the Group will flexibly allocate its production capacity and supply chain resources, fully leveraging the efficiency of its intelligent warehousing and logistics systems to improve supply and delivery timeliness. It will also persistently promote energy conservation, emission reduction and supply chain optimisation, striving to achieve sustainable development.

Upholding its commitment to quality, the Group will continue adopting a flexible and effective multi-brand strategy to navigate the ever-changing market dynamics and strive to create long-term value for shareholders through prudent and effective resource allocation.

Other Information

Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2026, 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
	Interest of spouse	Ordinary shares *(Note 2)*	45,263,151	10.72
Ms. Cheng Pik Ho Liza	Beneficial owner	Ordinary shares	60,087,577	14.22
Mr. Cheng Chuen Chuen	Beneficial owner	Ordinary shares	28,094,709	6.65
Ms. Lu Qun	Beneficial owner	Ordinary shares	1,024,057	0.24
Mr. Lau Siu Ki	Beneficial owner	Ordinary shares	768,000	0.18
Mr. Lee Kwan Hung	Beneficial owner	Ordinary shares	487,000	0.12
Prof. Lee T. S.	Beneficial owner	Ordinary shares	604,000	0.14

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

Notes:

1. These shares are held by Teamway Holdings Limited ("Teamway"). Teamway is wholly owned by Madam Ngok Ming Chu.

2. 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.

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 2026, 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

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 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 2025.

No share options were granted, exercised, cancelled or lapsed during the six months ended 30 June 2026 and no share options were outstanding as at 30 June 2026.

As at 1 January 2026 and 30 June 2026, the number of share options available for grant under the mandate limit of the Share Option Scheme was 42,241,663.

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

As at 30 June 2026, 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* *(Note 1)*	104,385,001	24.71
Harmonious World Limited	Beneficial owner	Ordinary shares *(Note 2)*	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 *(Note 3)*	41,634,931	9.86
	Beneficial owner	Ordinary shares	3,628,220	0.86
	Interest of spouse	Ordinary shares *(Note 4)*	104,385,001	24.71

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

Name	Capacity and nature of interest	Shares/equity derivatives	Number of shares/equity derivatives held	Percentage of the Company's issued share capital
Ms. Wong Oi Fan	Interest of spouse	Ordinary shares (Note 5)	28,094,709	6.65
Ms. Cheng Tsz Kwan	Beneficial owner	Ordinary shares (Note 6)	22,366,661	5.29
Mr. Pun Hiu Lok	Interest of spouse	Ordinary shares (Note 7)	22,366,661	5.29
Mr. Cheng Ka Hei	Beneficial owner	Ordinary shares (Note 8)	22,064,732	5.22
Ms. Mei Zhen	Interest of spouse	Ordinary shares (Note 9)	22,064,732	5.22

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

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 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 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. Mr. Pun Hiu Lok is the spouse of Ms. Cheng Tsz Kwan. He is deemed to be interested in the shares personally held by his spouse pursuant to Part XV of the SFO.

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

Notes: (continued)

8. Mr. Cheng Ka Hei is the grandson of the late Mr. Cheng Man Tai and Madam Ngok Ming Chu.

9. 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 2026, 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.

Changes in Directors' Information

Changes in Directors' information since the disclosure made in the 2025 annual report of the Company, that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

With effect from 12 June 2026, Mr. Lee Kwan Hung retired from office as an independent non-executive director of Ten Pao Group Holdings Limited, the shares of which are listed on the Stock Exchange.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

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 2026 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 28 August 2026, the Board resolved not to declare the payment of an interim dividend for the six months ended 30 June 2026.

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 2026, 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
28 August 2026

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 set out on pages 3 to 23, which comprise the condensed consolidated statement of financial position of Embry Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 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.

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

28 August 2026