

(For Immediate Release)



Embry Announces 2008 Annual Results

*** **

Revenue Increased 36.8% To HK\$973,300,000
Strategic Network Expansion with Strengthening Brand Assets

Financial Highlights:

HK\$ Million	For the year ended 31 December		
	2008	2007	Change (%)
Revenue	973.3	711.7	+36.8
Gross profit	765.0	551.5	+38.7
Gross profit margin	78.6%	77.5%	+1.1pp
Profit attributable to shareholders	72.0	122.5	-41.2
Profit attributable to shareholders (excluding the one-off gain)	72.0	80.5	-10.6
Earnings per share – Basic (HK cents)	17.95	30.63	-41.4
Final dividend per share (HK cents)	3.0	6.0	-50.0
Special dividend per share (HK cents)	3.0	-	-

(16 April 2009 – Hong Kong) **Embry Holdings Limited** (“Embry” or the “Group”; Stock Code: 1388), the leading integrated lingerie brand owner and retailer in China, announced today its annual results for the year ended 31 December 2008.

During the year under review, the Group’s revenue amounted to approximately HK\$973.3 million, representing an increase of 36.8% from HK\$711.7 million in the same period last year. The increase was mainly attributable to a satisfactory growth achieved in same store sales, coupled with a steady network expansion nationwide. Gross profit was HK\$765.0 million, representing an increase of 38.7% over the previous year. Gross profit margin increased by 1.1 percentage points to 78.6%. Profit attributable to equity holders of the Company was HK\$72.0 million, representing a decrease of 41.2% over the previous year. Excluding the one-off disposal gain of HK\$42.0 million recorded in 2007 in relation to the Group’s industrial complex in Changzhou, Jiangsu Province, profit attributable to equity holders would be decreased by 10.6%. Basic earnings per share was HK17.95 cents. The Board of Directors proposed the payment of a final dividend of HK3.0 cents per share and a special dividend of HK3.0 cents per share. Together with the interim dividend of HK2 cents per share, the full year dividend per share would be HK8 cents, which represents a payout ratio of 44.6%.

- Cont’d -

Commenting on the Group's results in 2008, Mr. Cheng Man Tai, Chairman of Embry, said: "The year 2008 saw the global economy change dramatically, with different countries around the world taking positive steps in order to maintain economic growth. As one of the fastest growing economies, China also faced tough challenges. In the face of an economic environment fraught with fluctuations and uncertainties, Embry continued to uphold its customer-oriented principle, strive to bring into full play the strength of its brands and improve product quality, and remain conscientious in the difficult times through implementing pragmatic business strategies."

For the year under review, retail business continued to be the major source of revenue of the Group, contributing approximately 88.1% of the Group's total revenue, and representing an increase of 35.8% to HK\$857.6 million. China remained the major market of the Group. Revenue in Mainland China increased by 44.9% to HK\$856.1 million and accounted for 88.0% of the Group's revenue. As for brands, the Group's signature brand, **EMBRY FORM**, delivered a steady growth of 32.7% in revenue to HK\$585.5 million, while its younger brand, **FANDECIE**, achieved a remarkable growth of 61.6% to HK\$306.9 million. Revenue contribution from **EMBRY FORM** and **FANDECIE** accounted for 60.2% and 31.5% respectively of the Group's revenue.

For the year ended 31 December 2008, **EMBRY FORM** was named "**The Best-selling Lingerie Products in the Industry in China**" for thirteen consecutive years by the China Industrial Information Issuing Centre (中國行業企業信息發佈中心) (the "Issuing Centre") in the PRC. The Group's younger brand **FANDECIE** was also accredited with the "**Top 10 Best Sellers in the Industry in China**" award for three consecutive years by the Issuing Centre.

In view of the strong market potential in China and the fact that there were quite a lot of underdeveloped areas, the Group opened more than 200 new retail outlets nationwide. During the year, the Group's total number of retail outlets increased from 1,352 to 1,557, which included 1,440 concessionary counters and 117 retail shops.

The Group has always put great emphasis on product development and product quality to maintain its competitive advantages and improve the market potential of its products. As at 31 December 2008, the Group had 19 applications patents and 13 appearance design patents registered in China and various countries.

In order to capture the market demand in relation to business expansion in the future, the Group has established a new production base in Zhangqiu City, Shandong Province. After the Shandong factory was commissioned, the annual total production capacity of the Group was increased to 14.8 million standard product units in 2008, representing an increase of 3.0 million standard product units over 2007.

Looking forward, Mr. Cheng said: "In the face of the upcoming challenges, the Group remains cautiously optimistic about the future. We will prudently implement our business strategies and follow a pragmatic approach in enhancing our core strengths, and promoting business growth.

With the Shandong factory's launch into operation, the Group will take the opportunity to improve and expand its sales network and adjust the distribution of its retail outlets accordingly. This year, the Group will open more than 100 retail outlets across China. Through our self-managed retail outlets and through cooperation with competent distributors, we will actively identify and develop markets with great potential in order to increase our market coverage. In terms of brand image, the Group will boost efforts in market promotion, enhance store image, and further improve customer services and employees' sales skills so as to strengthen brand effects. Meanwhile, the Group will continue to boost its research and development and design abilities and develop more patented products, with a view to refining its product portfolio and promoting healthy business growth."

-End-

About Embry Holdings:

Embry is a leading lingerie brand owner and retailer in China, which has established an extensive retail network comprising over 1,500 outlets that cover major cities in the PRC, including Hong Kong and Macau. Embry operates three major brands, namely **EMBRY FORM**, **FANDECIE** and **COMFIT**, each of which targets at different customers. **EMBRY FORM**, the signature brand of the Group, was awarded "The 2008 Best-selling Lingerie Products in the Industry in China" by the China Industrial Information Issuing Centre. It has been the 13th consecutive year for **EMBRY FORM** to rank number one by volume, sales and market share. In addition, **FANDECIE**, a younger lingerie brand of the Group, was also officially named one of the "Top 10 Best Sellers in the Industry in China" from 2006 to 2008 for three consecutive years.

For further information, please contact:

iPR Ogilvy Ltd.

Evan Hung/ Juliana Li/ Charis Yau/ Natalie Tam

Tel: (852) 2136 6956/ 2169 0467/ 2136 6183/ 2136 6182

Fax: (852) 3170 6606

Email: evan.hung@iprogilvy.com/juliana.li@iprogilvy.com/
charis.yau@iprogilvy.com/natalie.tam@iprogilvy.com