

DEFINITIONS

In this prospectus, unless the context otherwise requires, the following expressions have the following meanings:

“Articles”	the articles of association adopted by the Company pursuant to the resolutions in writing passed by all Shareholders on 25 November 2006
“associate”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Capitalisation Issue”	the issue of Shares to be made upon capitalisation of certain sums standing to the credit of the share premium account of the Company referred to in the paragraph headed “Resolutions in writing of all Shareholders passed on 25 November 2006” in Appendix VI to this prospectus
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Changzhou Factory”	the existing production facilities located at No. 8 Embry Road, Tongjiang Avenue, Changzhou, the PRC, which are operated by Embry CZ
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Embry Holdings Limited, a company incorporated in the Cayman Islands on 29 August 2006 under the Companies Law with limited liability

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“Concession(s)”	concessionary counters or sale areas occupied by the Group in department stores or shopping arcades in the PRC and Hong Kong for its retail business where the sale receipts of the Group are collected by the operators of the department stores or shopping arcades, concluded and settled with the Group subsequently
“CZ Embry Development”	Changzhou Embry Development Limited (常州安莉芳發展有限公司), a foreign enterprise established in the PRC and an indirect wholly owned subsidiary of the Company
“Director(s)”	director(s) of the Company
“EGL”	Embry Group Limited, a company incorporated in the BVI with limited liability and a direct wholly owned subsidiary of the Company
“Embry CZ”	Embry (Changzhou) Garments Ltd. (安莉芳(常州)服裝有限公司), a foreign enterprise established in the PRC and an indirect wholly owned subsidiary of the Company
“Embry Development”	Embry Development Limited, a company incorporated in the BVI with limited liability and an indirect wholly owned subsidiary of the Company
“Embry Garments”	Embry Garments Limited, a company incorporated in the BVI with limited liability and an indirect wholly owned subsidiary of the Company
“Embry HK”	Embry (H.K.) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company
“Embry Macau”	Embry (Macau) Pronto A Vestir, Limitada, a company incorporated in Macau with limited liability and an indirect wholly owned subsidiary of the Company

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“Embry SD”	Embry (Shandong) Garments Limited (安莉芳(山東)服裝有限公司), a foreign enterprise established in the PRC and an indirect wholly owned subsidiary of the Company
“Embry SZ”	Embry (China) Garments Ltd. (安莉芳(中國)服裝有限公司), a foreign enterprise established in the PRC and an indirect wholly owned subsidiary of the Company
“ERP”	an acronym for enterprise resources planning system, which is an information system that integrates sales, finance and supply chain management
“Fairmout Investments”	Fairmout Investments Limited, a company incorporated in the BVI with limited liability and is owned as to 50% by Mr. Cheng Man Tai and as to 50% by Madam Ngok Ming Chu
“Gallin Investments”	Gallin Investments Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company
“GDP”	an acronym for “gross domestic product”
“Greater China Region”	the PRC, Taiwan and Hong Kong
“Group”	the Company and its subsidiaries or, where the context otherwise requires, in respect of the period before the Company became the holding company of its present subsidiaries, such subsidiaries or the business which have since been acquired or carried on by them
“Harmonious World”	Harmonious World Limited, a company incorporated in the BVI with limited liability and is owned as to approximately 60.2% by Mr. Cheng Man Tai and as to approximately 39.8% by Madam Ngok Ming Chu
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

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“Independent Third Parties”	person(s) or company(ies) which is/are independent of any member of the Group, the Directors, the chief executives and the substantial shareholders (as defined in the Listing Rules) of the Company and its subsidiaries and their respective associates
“Latest Practicable Date”	28 November 2006, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information in this prospectus
“Listing Committee”	the sub-committee of the board of directors of the Stock Exchange responsible for listing
“Listing Date”	the date on which the trading of the Shares on the Main Board first commences
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Main Board”	the stock market operated by the Stock Exchange, which excludes the Growth Enterprise Market and the options market
“MPF Ordinance”	Mandatory Provident Fund Scheme Ordinance (Chapter 485 of the Laws of Hong Kong)
“Net Profit”	profit attributable to the equity holders of the Company for a financial year or period
“OEM”	original equipment manufacturer, a manufacturer who co-ordinates the production of products according to orders and specifications provided by customers
“Offer Price”	the offer price per Offer Share (excluding the Stock Exchange trading fee, transaction levy imposed by the SFC and brokerage payable thereon) which is expected to be not more than HK\$3.62 and not less than HK\$2.86 at which the Offer Shares are to be subscribed, such price to be agreed and determined between the Company and the Lead Manager (for itself and on behalf of the Underwriters) on or before the Price Determination Date

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“Offer Shares”	the Public Offer Shares and the Placing Shares
“Over-allotment Option”	the option granted by the Company to Taifook Securities exercisable by it within 30 days after the last day for lodging of application under the Public Offer, to require the Company to allot and issue up to an aggregate of 15,000,000 Shares at the Offer Price to cover over-allocations in the Placing, subject to the terms of the Underwriting Agreement
“Placing”	the conditional placing of the Placing Shares by the Placing Underwriter on behalf of the Company for cash at the Offer Price with professional, institutional and individual investors as described in the section headed “Structure and conditions of the Share Offer” in this prospectus
“Placing Shares”	the 90,000,000 Offer Shares initially being offered for subscription under the Placing subject to re-allocation and the Over-allotment Option as described in the section headed “Structure and conditions of the Share Offer” in this prospectus
“PRC” or “China”	the People’s Republic of China which includes Macau and for the purposes of this prospectus only, excludes Hong Kong and Taiwan
“Pre-IPO Share Option Scheme”	the pre-initial public offering share option scheme adopted by the Company on 25 November 2006, a summary of the principal terms of which is set out under the paragraph headed “Pre-IPO Share Option Scheme” in Appendix VI to this prospectus
“Pre-IPO Share Option(s)”	option(s) granted under the Pre-IPO Share Option Scheme

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“Price Determination Agreement”	the agreement to be entered into between the Company and the Lead Manager (for itself and on behalf of the Underwriters) on or before the Price Determination Date to record and fix the Offer Price
“Price Determination Date”	the date, expected to be on or before 9 December 2006 but in any event not later than 12 December 2006, on which the Offer Price is fixed for the purposes of the Share Offer
“Public Offer”	the offer of the Public Offer Shares by the Company for subscription by members of the public in Hong Kong for cash at the Offer Price, payable in full on application, on and subject to the terms and conditions stated herein and in the related application forms
“Public Offer Shares”	the 10,000,000 Offer Shares initially offered for subscription under the Public Offer subject to re-allocation as described in the section headed “Structure and conditions of the Share Offer” in this prospectus
“Public Offer Underwriters”	Taifook Securities, China Merchants Securities (HK) Co., Ltd.; CIMB-GK Securities (HK) Limited; First Shanghai Securities Limited; Phillip Securities (Hong Kong) Limited; South China Securities Limited; Sun Hung Kai International Limited
“Reorganisation”	the corporate reorganisation of the Group in preparation of the listing of the Shares as described under the paragraph headed “Group reorganisation” in Appendix VI in this prospectus
“retail outlet(s)”	means Retail Stores and Concessions
“Retail Store(s)”	means units, stores or shops leased by the Group for its retail business where the Group collects the customers’ receipts for sales made
“SARS”	Severe Acute Respiratory Syndrome (Atypical Pneumonia)
“Securities Lending Agreement”	the stock borrowing agreement dated 4 December 2006 entered into between Harmonious World and the Lead Manager, pursuant to which the Lead Manager may borrow up to 15,000,000 Shares from Harmonious World to cover any over-allocation in the Placing

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“SFC”	the Securities and Futures Commission in Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shandong Factory”	the production facilities to be constructed by the Group in Zhangqiu City, Shandong Province, the PRC
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Share Offer”	the Public Offer and the Placing
“Share Option Scheme”	the share option scheme conditionally adopted by the Company on 25 November 2006, a summary of the principal terms of which is set out under the paragraph headed “Share Option Scheme” in Appendix VI to this prospectus
“Shenzhen Factory”	the existing production facilities located on Buxin Road, Luohu District, Shenzhen, Guangdong Province, the PRC, which are operated by Embry SZ
“Standard Product Unit”	a standard product unit (標件) which is a unit adopted by the Group to illustrate the production capacity of the Group and represents a basic-featured brassiere produced by the Group in 8.3 minutes
“State”	the government of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiaries”	has the meaning ascribed thereto in section 2 of the Companies Ordinance
“Taifook Capital” or “Sponsor”	Taifook Capital Limited, a licensed corporation to carry on type 6 (advising on corporate finance) regulated activities under the SFO
“Taifook Securities” or “Lead Manager” or “Placing Underwriter”	Taifook Securities Company Limited, a licensed corporation to carry on types 1 (dealing in securities), 3 (leveraged foreign exchange trading) and 4 (advising on securities) regulated activities under the SFO

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“Track Record Period”	the period commencing from 1 January 2003 to 30 June 2006
“Underwriters”	the Placing Underwriter and the Public Offer Underwriters
“Underwriting Agreement”	the conditional placing and underwriting agreement relating to the Share Offer dated 4 December 2006 and entered into between the Company, the executive Directors, Harmonious World, Fairmout Investments, Mr. Cheng Man Tai, Ms. Cheng Pik Ho Liza, Madam Ngok Ming Chu, the Sponsor, Taifook Securities and the Underwriters, particulars of which are set forth in the section headed “Underwriting” in this prospectus
“US” or “United States”	the United States of America
“VAT”	value-added tax
“HK\$” and “cents”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“sq.m.”	square metres
“US\$”	United States dollars, the lawful currency of the US

Unless otherwise specified, for the purpose of this prospectus and for the purpose of illustration only, Hong Kong dollar amounts have been translated using the following rates:

US\$1 : HK\$7.8

RMB1 : HK\$0.99

No representation is made that any amounts in US\$, RMB or HK\$ were or could have been converted at the above rate or at any other rates or at all.

References to a financial year in this prospectus are to the year ended on 31 December of the year stated.

For ease of reference, the names of the PRC established companies or entities have been included in this prospectus in both the Chinese and English languages. In the event of any inconsistency, the Chinese versions shall prevail.