

(For Immediate Release)



Embry Announces 2009 Annual Results

*** **

Revenue Increased by 20.8% to HK\$1,176,100,000
Profit Attributable to Owners Surged by 58.6%
to HK\$114,200,000

Financial Highlights:

HK\$ Million	For the year ended 31 December		
	2009	2008	Change (%)
Revenue	1,176.1	973.3	+20.8
Gross profit	941.2	765.0	+23.0
Gross profit margin	80.0%	78.6%	+140b.p.
Profit attributable to owners of the Company	114.2	72.0	+58.6
Earnings per share – Basic (HK cents)	28.44	17.95	+58.4
Interim dividend per share (HK cents)	3.0	2.0	
Final dividend per share (HK cents)	5.0	3.0	
Special dividend per share (HK cents)	2.0	3.0	

(31 March 2010 – Hong Kong) **Embry Holdings Limited** (“Embry” or the “Group”; Stock Code: 1388), the leading lingerie brand owner and retailer in China, announced today its annual results for the year ended 31 December 2009 (the “Current Year”).

During 2009, the Group adhered to its cautious business approach with a modest expansion of sales network, while carrying out effective marketing strategies, the Group’s profitability continued to be strong in 2009. For the Current Year , the Group posted revenue of HK\$1,176.1 million, representing a year-on-year growth of 20.8%. Profit attributable to owners of the Company surged by 58.6% to HK\$114.2 million as compared to the year ended 31 December 2008 (the “Prior Year”). The Group’s gross profit recorded a year-on-year growth of 23.0% to HK\$941.2 million. Benefiting from the economies of scale, effective management of supply chain and cost control measures, the Group managed to maintain its cost of sales at a reasonable level. The overall gross profit margin improved by 1.4 percentage points from 78.6% in the Prior Year to 80.0% in the Current Year.

- Cont’d-

During the Current Year, basic earnings per share of the Company grew by 58.4% to HK28.44 cents per share. The Board of Directors proposed the payment of a final dividend of HK5.0 cents per share and a special dividend of HK2.0 cents per share.

Commenting on the Group's results, Ms. Liza Cheng, Chief Executive Officer and Executive Director of Embry, said: "In 2009, the financial crisis swept across the world. The Chinese government was swift to launch a number of economic stimulus measures in response to the changes of the external business environment. Thanks to a multitude of stimulus measures to boost domestic consumption, consumer confidence was further improved and the retail market gradually recovered. As a leading lingerie enterprise in China, Embry's excellent brand reputation was reinforced during the year as a result of the Group's efforts to leverage its nation-wide sales network and solid business foundation. The Group also continued its efforts to promote its brands across China and, taking into account market conditions and demand, made strategic adjustments to its product portfolio while refining product quality, with a view to fulfilling consumer demand. All these efforts have paid off handsomely."

Retail sales were HK\$1,026.9 million in the Current Year, accounting for 87.3% of the Group's revenue and representing an increase of 19.7% over the Prior Year. Wholesale business was HK\$122.0 million in the Current Year, representing an increase of 36.7% over the Prior Year and accounting for 10.4% of the Group's revenue. Mainland China remained to be the Group's core market. Revenue in Mainland China was HK\$1,049.5 million in the Current Year, accounting for 89.2% of the Group's revenue and representing an increase of 22.6% over the Prior Year. The Group was able to deliver a growth in revenue of 9.6% in the Hong Kong market with sales amounting to HK\$99.5 million in the Current Year.

As for brands, the Group's multi-brand strategy continues to generate synergy effects and enhances its competitive edges to capture growing market potential. While **EMBRY FORM**, its signature brand, delivered a stable growth of 13.7% in revenue to HK\$665.4 million, **FANDECIE**, its younger brand with competitive pricing, continued to register robust sales growth and achieved a remarkable growth of 35.7% in revenue to HK\$416.2 million. **COMFIT** was also able to attract those consumers in the market who have been pursuing good functionality and quality of products. Its revenue grew by 23.2% to HK\$67.0 million.

Over the past three decades, the Group has been upholding its business mission of "Creating Value For All". Embry places substantial importance upon sustainable development and brand equity. **EMBRY FORM** was named "**The Best-selling Lingerie Products in the Industry in China in terms of Volume, Sales and Market Share**" for fourteen consecutive years by the China Industrial Information Issuing Centre (the "Issuing Centre") in China. **FANDECIE** was also accredited with the "**Top 10 Best Sellers in the Industry in China**" award for four consecutive years by the Issuing Centre. During the Current Year, the Group added 3 applications patents, with a total of 21 applications patents and 13 appearance design patents.

In light of the changes in overall economic conditions and pace of development, the Group continued to adopt a cautious but effective approach in enhancing its sales network and sought to expand the network coverage by strategically increasing the number of retail outlets during the Current Year. The Group had a net increase of 123 retail outlets nationwide during the Current Year. As at 31 December 2009, the Group operated a total number of 1,680 retail outlets, which comprised 1,534 concessionary counters and 146 retail shops.

Ms. Cheng concluded: "Looking ahead, the overall market condition in 2010 will continue to improve. It is expected that there will be modest inflation in China with a slight rise in the consumer price index, which will boost the same-store sales growth of the retail industry. The Group will continue to adopt a sustainable business growth strategy to take advantage of the steady economic growth ahead. The Group will continue to improve and expand its sales network cautiously. The Group will continue to develop its sales network in key cities of China and increase retail outlets in the second and third-tier cities in an effort to achieve its target of opening 100 retail outlets across the country. The Shandong Factory has commenced production since the Prior Year. The Group expected that the production capacity of the factory would be further established by recruiting and training more staff members. Meanwhile, the factory features environmental friendly designs that effectively reduce pollutants as well as operating costs. The Group also believes that its overall production capacity could achieve better economies of scale. The Group will continue to promote healthy business growth and strengthen its brand awareness by reinforcing its research and development capabilities to meet different needs of customers. The Group is confident that the growth momentum can be sustained in 2010 and endeavours to deliver satisfactory returns to its shareholders."

Embry Announces 2009 Annual Results
Revenue Increased 20.8% to HK\$1,176,100,000
Profit Attributable to Owners Surged 58.6% to HK\$114,200,000
31 March 2010/ Page 4

-End-

About Embry Holdings:

Embry is a leading lingerie brand owner and retailer in China, which has established an extensive retail network comprising over 1,600 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 2009 Best-selling Lingerie Products in the Industry in China in terms of Volume, Sales and Market Share" by the China Industrial Information Issuing Centre. It has been the 14th consecutive year for **EMBRY FORM** to rank number one. 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 2009 for four consecutive years.

For further information, please contact:

iPR Ogilvy Ltd.

Eva Lee/ Juliana Li/ Charis Yau/ Natalie Tam

Tel: (852) 3920 7609/ 2169 0467/ 2136 6183/ 2136 6182

Fax: (852) 3170 6606

Email: eva.lee@iprogilvy.com/ juliana.li@iprogilvy.com/

charis.yau@iprogilvy.com/ natalie.tam@iprogilvy.com