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ESPRIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

STOCK CODE: 00330

INSIDE INFORMATION PROFIT WARNING

This announcement is made by Esprit Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 (the “**Year**”) and information currently available to the Board, the Group is expected to record a loss attributable to the shareholders of the Company of no more than HK\$700 million for the Year, as compared to the profit attributable to the shareholders of the Company of approximately HK\$381 million for the year ended 31 December 2021 (the “**Corresponding Year**”).

The Group is expected to record total revenue of approximately HK\$7,063 million for the Year, as compared to the total revenue of approximately HK\$8,316 million for the Corresponding Year, representing a decrease of approximately 15.1%. The decrease in revenue was primarily attributable to the following reasons: (i) the global high inflation, which exerted great pressure on interest rates, resulting in both high interest rates as well as expectation for further interest rate hikes; (ii) the high energy prices and consequently high logistic costs; and (iii) the conflict in Ukraine. The above factors severely damaged consumer confidence and dampened consumer spending appetite particularly in Europe where the Group primarily operates, leading to the decrease of the Group’s total revenue.

The Board considers that the significant loss is mainly attributable to the decrease in revenue cited above, which led to the decrease of the gross profit of the Group to approximately HK\$2,878 million for the Year, as compared to the gross profit of the Group of approximately HK\$4,042 million for the Corresponding Year.

As at the date of this announcement, the Company is still in the process of finalising the consolidated results of the Group for the Year. The information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the Year and information currently available to the Board and is not based on any figures or information which has been audited or reviewed by the independent auditors of the Company nor approved by the Audit Committee of the Company. Therefore, the actual results of the Group may be subject to further amendments and adjustments where necessary. Shareholders and potential investors are advised to exercise caution when using such data to evaluate the Group's financial conditions and results of operations. The Company will make update announcements in this regard if and when necessary. Shareholders and potential investors are advised to carefully read the announcement of the Company in relation to the results of the Group for the Year, which is expected to be published in late March 2023 in accordance with the requirements under the Listing Rules.

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

By order of the Board
Esprit Holdings Limited
WONG Natasha Chi Yan
Company Secretary

Hong Kong, 10 March 2023

Dates stated in this announcement refer to Hong Kong time unless otherwise specified.

As at the date of this announcement, the Board comprises the following directors:

Executive Directors:

Ms. CHIU Christin Su Yi
Mr. PAK William Eui Won
Mr. SCHLANGMANN Wolfgang Paul Josef
Mr. WRIGHT Bradley Stephen

Independent Non-executive Directors:

Mr. CHUNG Kwok Pan
Mr. GILES William Nicholas
Mr. HA Kee Choy Eugene
Ms. LIU Hang-so
Mr. LO Kin Ching Joseph