

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ESPRIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 00330

INSIDE INFORMATION INSOLVENCY FILING BY A SWITZERLAND SUBSIDIARY

This announcement is made by Esprit Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2) and 13.25 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) 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).

INSOLVENCY FILING BY A SWITZERLAND SUBSIDIARY

The board of directors of the Company (the “**Board**”) announces that the board of directors of Esprit Switzerland Distribution AG (“**CHDA**”) (an indirect wholly-owned subsidiary of the Company) resolved, after due and careful consideration, (i) to apply for the commencement of insolvency proceedings over CHDA’s assets (the “**Insolvency Filing**”) at the competent insolvency court of Bülach, Switzerland and (ii) subsequently, the Insolvency Filing was made on 27 June 2024.

INFORMATION ABOUT CHDA

CHDA, a company incorporated in Switzerland, is an indirect wholly-owned subsidiary of the Company and is primarily engaged in wholesale distribution of apparel and accessories in Switzerland. CHDA is the direct shareholder of Esprit Switzerland Retail AG (“**ESRA**”) and Esprit Italy Distribution S.R.L. (“**ITDS**”). ITDS is primarily engaged in wholesale distribution of apparel and accessories in Italy. The Insolvency Filing made by CHDA may result in ITDS being subject to its own insolvency proceedings in the future.

Based on the audited consolidated financial statements of the Group and the consolidated management accounts of CHDA and its subsidiaries for the financial year ended 31 December 2023 (“**FY2023**”), the aggregate total revenue recorded by CHDA and its subsidiaries (after intra-group elimination) was approximately HK\$401 million, representing approximately 6.8% of the total revenue of the Group, and as at 31 December 2023 the aggregate total assets of CHDA and its subsidiaries were approximately HK\$415 million, representing approximately 7.2% of the total assets of the Group.

REASONS FOR THE INSOLVENCY FILING

Based on the current financial situation of CHDA, it shows that CHDA was over-indebtedness and it became apparent that CHDA will not be possible to continue business activities. Having considered the current situation of ESRA and the challenges faced by CHDA in carrying out its business operations going forward, the board of directors of CHDA believes that the initiation of the insolvency proceedings is appropriate and it is in the best interest of CHDA and the Group to proceed the Insolvency Filing of CHDA.

IMPACT TO THE GROUP

As of the date of the Swiss insolvency court handing down its order for the commencement of insolvency proceedings over the assets of CHDA, the Company is no longer considered to have control over CHDA. Accordingly, the financial result of CHDA has been deconsolidated from those of the Group.

Based on the audited consolidated financial statements of the Group and the standalone management accounts for FY2023 of CHDA and its subsidiaries, and each other entity within the Group which is currently under insolvency filings, self-administration proceedings filings or preventive restructuring filing as disclosed in the announcement dated 3 June 2024 issued by the Company (collectively, the “**Relevant EU Entities**”), the aggregate total revenue generated by CHDA and its subsidiaries, together with the Relevant EU Entities (after intra-group elimination) was approximately HK\$5,439 million, representing approximately 92% of the total revenue of the Group, and as at 31 December 2023, the aggregate total assets of CHDA and its subsidiaries, together with the Relevant EU Entities were approximately HK\$4,361 million, representing 76% of the total assets of the Group.

The Company has no control over the insolvency proceedings. The Company is given to understand that upon completion of the insolvency proceedings, CHDA will be wound up, and the current business operations carried out by CHDA will cease.

In addition, as disclosed in the announcement of the Company on 15 May 2024, Esprit Handelsgesellschaft m.b.H. (“ATHG”), being one of the subsidiaries of Esprit Europe GmbH, may be subject to insolvency proceedings in the future. The financial results of ATHG have been deconsolidated from those of the Group since 17 May 2024. ATHG made the insolvency filing on 27 June 2024.

Further announcement(s) will be made by the Company if there is any material progress in connection with the Insolvency Filing of CHDA as and when appropriate in accordance with 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
CHIU Christin Su Yi
Chairperson

Hong Kong, 27 June 2024

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. STRIPPOLI Anthony Nicola
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