

FOR IMMEDIATE RELEASE



Esprit's public free float further increased

HONG KONG, May 08, 2003 – Esprit Holdings Limited (“Esprit” or the “Company”; HKSE: 330) has been advised by Mr. Michael Ying, Chairman of Esprit, that he has signed a placing agreement with Merrill Lynch Far East Limited (“Merrill Lynch”) as Sole Placing Agent pursuant to which Merrill Lynch shall place Esprit shares with institutional and professional investors (the “Placement”). The Placement is expected to be completed on Monday, May 12, 2003, and upon completion will increase public free float, improve trading liquidity and widen the shareholder base of the Company.

The Placement involves the sale of 42.5 million shares (or approximately 3.6% of the issued share capital of the Company) at HK\$14.70 per share (or approximately 4.2% discount from the closing price of HK\$15.35 per Esprit share on Wednesday, May 7, 2003). The Placement will reduce Mr. Ying's ownership in Esprit from 42.0% to 38.4% and will increase the public free float from approximately 49% to approximately 53%.

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Esprit Holdings Limited (www.espritholdings.com) is a constituent stock of the Hang Seng Index, MSCI Hong Kong Index, and FTSE All-World Index for Hong Kong. Its subsidiaries are engaged in the retail and wholesale distribution of quality lifestyle products under its globally recognized ESPRIT brand and of cosmetic products under its RED EARTH brand. The Group controls over 300,000 square meters of retail space in more than 40 countries and ESPRIT products are sold in more than 80 countries worldwide. It operates approximately 540 directly managed retail outlets and has over 2,500 franchised shops internationally.

Issued by Esprit Holdings Ltd. For further details or enquiry please contact Alice Ng.

Tel: (852) 2765-4232
Fax: (852) 2764-1723
Email: alice_ng@esprit.com.hk

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