

FOR IMMEDIATE RELEASE

## **ESPRIT ANNOUNCES APPOINTMENT OF ADDITIONAL DIRECTORS, NEW DEPUTY CHAIRMAN AND GROUP CEO, AND GLOBAL MANAGEMENT STRUCTURE**

**HONG KONG, October 31, 2002** – **Esprit Holdings Limited** (SEHK: 330; LSE: EPT LI) today announced that effective November 1, 2002, Mr. Cheng Ming Fun, Paul, JP and Mr. Thomas Grote will be appointed as an Independent Non-Executive Director and an Executive Director of the Company respectively. In addition, Mr. Heinz Jürgen Krogner-Kornalik has been appointed as Deputy Chairman and Group Chief Executive Officer. Mr. Michael Ying Lee Yuen will remain as Chairman of the Board.

### New Appointments to the Board

“We are honored to have Mr. Cheng as a new member of the Board,” Mr. Michael Ying, Chairman of the Company said. “Mr. Cheng’s profound knowledge and in-depth experience in managing successful organizations in both the private and the public sectors will add tremendous value to the Board in his capacity as an independent non-executive director.”

Mr. Cheng was formerly the Chairman of Inchcape Pacific Limited, N.M. Rothschild & Sons (Hong Kong) Limited and the Hong Kong General Chamber of Commerce as well as a member of the Hong Kong Legislative Council. He is currently a Steward of the Hong Kong Jockey Club and holds a number of directorships in listed companies in Hong Kong and the United Kingdom. He has been an adjunct professor of Management of Organizations at the University of Science and Technology in Hong Kong and is also a member of the Council of the Chinese University of Hong Kong.

“I also have pleasure in welcoming Mr. Grote to the Board, who has contributed considerably to the success of Esprit Europe since rejoining our group in 1996.” Mr. Ying added. “The Board will no doubt benefit from Mr. Grote’s extensive knowledge and expertise in the industry.”

Together with the above appointments, Esprit’s Board of Directors now consists of 11 members with 5 non-executive directors of whom 4 are independent non-executive directors.

## New Group CEO and Global Management Structure

With immediate effect, Mr. Heinz Krogner will be the Group Chief Executive Officer and Mr. John C. Poon will remain as the Group Chief Financial Officer.

“It is a great pleasure for me to announce that Heinz, who has been with us since January 1995 and has led our European operations in achieving tremendous growth, is being entrusted by the Board as the Group CEO,” said Mr. Ying. “I am confident that Heinz will extend his leadership and proven success in Europe to other parts of the Esprit world and steer the company into the next era of growth.”

“I am very excited and honored to take on the role as the Group CEO of Esprit,” said Mr. Krogner. “Today, as a global company with a global brand, Esprit faces different challenges in the world markets. In order to maximize the full potential of the Company, we must focus our resources and we shall continue to implement a unified global management structure with no territorial bounds,” Mr. Krogner added. “The business strategies will be driven by global functions, such as wholesale, retail, products and services divisions, with the benefit of real-time market information from our distribution network worldwide. The end result will be increased consistency of brand image and product positioning plus speedier response to market needs and changes.”

“The appointment of Mr. Cheng as an additional Independent Non-Executive Director, as well as the segregation of the role of the Chairman and the CEO, is a reflection of Esprit’s continuous commitment to good corporate governance,” Mr. John Poon, Executive Director and Group CFO of the Company commented. “In the past three years, we have already made significant changes to enhance our internal financial systems to cater to the needs of a global company. Under the global management structure together with higher quality of management and financial information, we are better equipped to manage the risks facing Esprit around the globe and to enhance profitability.”

“Our strategy is global but our business is local” Mr. Krogner concluded, “With the newly established global management structure, we are confident that we can further capitalize on our worldwide knowledge and capabilities for the benefit of the Company and its shareholders.”

Esprit Holdings Limited ([www.espritholdings.com](http://www.espritholdings.com)) is a constituent stock of the MSCI Hong Kong Index, and 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 retail space of over 3 million square feet in more than 40 countries and ESPRIT products are sold in more than 80 countries worldwide. It operates approximately 500 directly managed retail outlets and has over 2,100 franchised stores internationally.

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Note to editors: Please visit our website at <http://www.espritholdings.com>

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