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ESPRIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 00330

INSIDE INFORMATION INSOLVENCY FILING BY A BELGIUM SUBSIDIARY

This announcement is made by Esprit Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2), 13.25(1)(b) and 13.25(2) 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 BELGIUM SUBSIDIARY

The board of directors of the Company (the “**Board**”) announces that the director (the “**BEBR Board**”) of Esprit Belgie Retail N.V. (“**BEBR**”) (an indirect wholly-owned subsidiary of the Company) resolved, after due and careful consideration, (i) to apply for the commencement of the insolvency proceeding over BEBR’s assets (the “**Insolvency Filing**”) at the competent insolvency court of Belgium; (ii) to approve the Insolvency Filing; and (iii) subsequently, the Insolvency Filing was made on 8 April 2024.

INFORMATION ABOUT BEBR

BEBR, a company incorporated in Belgium, is an indirect wholly-owned subsidiary of the Company and is primarily engaged in retail distribution of apparel and accessories in Belgium.

As one or more of the applicable percentage ratios as defined in Rule 14.04(9) of the Listing Rules for BEBR for the year ended 31 December 2023 are 5% or more, Rule 13.25(1)(b) of the Listing Rules applies to BEBR according to Rule 13.25(2) of the Listing Rules.

REASONS FOR THE INSOLVENCY FILING

The Company is now focusing on a comprehensive reorganization and on strengthening its business with wholesale and franchise partners, as well as generating new momentum in E-commerce. The insolvency of BEBR and the closure of the stores belonging to BEBR was unavoidable.

The overall economic slowdown in combination with the sharp rise in energy and logistics costs, negative consumer sentiment in Europe and the long-term legacy high rents for the unsuitably sized stores ultimately made it unviable financially to continue the retail business as it is currently structured in Belgium. In light of the aforementioned reasons, which leads to the tight liquidity situation of BEBR under the Europe retail business. The BEBR Board reported to the Board that BEBR has become cash flow insolvent and it is in the best interests of the Group to proceed with the Insolvency Filing for BEBR.

POSSIBLE EFFECT OF THE INSOLVENCY FILING ON THE GROUP

Based on the audited accounts of the BEBR as at 31 December 2022, the total assets and total liabilities amounted to HK\$88.9 million (equivalent to EUR10.7 million) and HK\$80.0 million (equivalent to EUR9.6 million), respectively.

The Insolvency Filing shall have no direct material adverse impact on the Group and the business and operations of the Group remain normal. The Group will continue to evaluate all restructuring options and contingency plans in order to preserve value of the Group's business.

Further announcement(s) will be made by the Company as and when appropriate if there is any material progress in connection with the Insolvency Filing 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, 8 April 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