ESPRIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 00330

INSIDE INFORMATION
POSITIVE PROFIT ALERT

This announcement is made by Esprit Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) 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 six months ended 30 June 2025 (the "**Interim Period**") and information currently available to the Board, the Group is expected to record an unaudited net profit attributable to Shareholders of approximately HK$1 million for the Interim Period, as compared to the unaudited net loss attributable to Shareholders of approximately HK$56 million for the six months ended 30 June 2024 (the "**Comparison Period**").

The first half of 2025 marked a critical phase in the Company's transformation journey, following the extensive restructuring initiatives implemented throughout 2024. During the Interim Period, the Group has decisively shifted away from a high-cost, capital-intensive direct-to-retail business model to an asset-light, licensing-driven brand management model.

For continuing operations, the Group began generating initial revenue from newly executed licensing agreements and cost efficiencies were significantly enhanced during the Interim Period. Following the cessation of discontinued operations and the strategic transition to a licensing-driven business model, the Group's revenue from continuing operations for the Interim Period remained modest at approximately HK$7 million, compared to approximately HK$26 million in the Comparison Period.

The Company has achieved substantial improvement in its cost structure and working capital efficiency. Operating expenses have been reduced considerably, driven by the closure of unprofitable subsidiaries, the downsizing of back-end infrastructure, and the elimination of fixed overhead costs. For the Interim Period, operating expenses from continuing operations totaled approximately HK$26 million, representing a 83% decrease compared to approximately HK$149 million in the Comparison Period. These factors collectively contributed to a reduction in the Group's net loss from continuing operations, which amounted to approximately HK$21 million for the Interim Period, compared to a net loss of approximately HK$119 million for the Comparison Period excluding a one-off other income of approximately HK$128 million recorded in the Comparison Period.

In respect of discontinued operations, a net profit of approximately HK$22 million was recorded during the Interim Period, compared to a net loss of approximately HK$65 million in the Comparison Period, thereby further contributing to the net profit attributable to Shareholders.

During the Interim Period, the Group has successfully established partnerships covering several major markets, including Greater China and the United States. Moving forward, the Group will continue to expand its licensee partners network, leveraging their expertise and scalable distribution channels to broaden product categories and extend the brand's market penetration. As owner and guardian of the ESPRIT brand, the Company remains focused on preserving the brand's identity and steering its strategic direction, while delegating all operational execution matters to its licensed partners. This asset-light, licensing-driven model not only mitigates financial and operational risks, but also positions the Group for sustainable, long-term growth.

As at the date of this announcement, the Company is in the process of finalising consolidated results of the Group for the Interim Period. The information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the Interim Period and information currently available to the Board and is not based on any figures or information which have 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 for the Interim Period may be subject to further amendments and adjustments where necessary. The Company will make further announcement(s) in this regard if and when necessary. Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the results of the Group for the Interim Period, which will be published in late August 2025 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
MAN Wai Chuen
Company Secretary

Hong Kong, 21 August 2025

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. WRIGHT Bradley Stephen

Independent Non-executive Directors:
Ms. LIU Hang-so
Ms. LIU Tsui Fong
Mr. LO Kin Ching Joseph
Mr. YU Chung Leung