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ESPRIT

ESPRIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

STOCK CODE: 00330

ANNOUNCEMENT UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

The board of directors (the “**Board**”) of Esprit Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) has noted the recent decreases in the price and increases in the trading volume of the shares of the Company. In this respect, the Board finds it important to communicate that these unusual movements do not correspond to any material adverse change in the operation and business development of the Group.

OPERATION AND BUSINESS DEVELOPMENT OF THE GROUP

Reference is made to the Company's interim report for the six months ended 31 December 2016 (the “**Interim Report**”). Capitalized terms used in this announcement shall bear the meanings ascribed to them in the Interim Report, save as otherwise defined herein.

In the Second Half of this financial year, the Company has continued to execute its Strategic Plan with primary focus on improving its bottom line. The Board would like to emphasize that the operation of the Group remains normal and its business development is progressing as planned; and that, save for the challenges and circumstances discussed in the Interim Report, there has been no material adverse change to the financial condition of the Group in the Second Half of this financial year.

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

The Board has also noted that a research report was issued by HSBC Global Research on 12 June 2017 relating to the Company reducing its target price from HK\$5.00 per share to HK\$4.80 per share. Whilst the Board does not know whether the recent decreases in the price and increases in the trading volume of the shares of the Company was caused by the HSBC report, and having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board confirms that, save for the said report and the matters discussed above in this announcement, it is not aware of any reasons for the recent unusual price and trading volume movements or of any information which must be announced to avoid a false market in the Company's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

This announcement is made by the order of the Company. The Company's Board of Directors collectively and individually accepts responsibility for the accuracy of this announcement.

Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Florence Ng Wai Yin
Company Secretary

Hong Kong, 20 June 2017

As at the date of this announcement, the Board comprises (i) Mr Jose Manuel Martínez Gutiérrez (Group Chief Executive Officer) and Mr Thomas Tang Wing Yung (Group Chief Financial Officer) as Executive Directors; (ii) Mr Jürgen Alfred Rudolf Friedrich as Non-executive Director; and (iii) Dr Raymond Or Ching Fai (Chairman), Mr Paul Cheng Ming Fun (Deputy Chairman), Dr José María Castellano Ríos, Mr Alexander Reid Hamilton, Mr Carmelo Lee Ka Sze and Mr Norbert Adolf Platt as Independent Non-executive Directors.