
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the proposals referred to in this circular or as to the action you should take, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or otherwise transferred all your shares in Esprit Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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ESPRIT
ESPRIT HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 00330)

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS,
FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at Salon 6, JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Admiralty, Hong Kong on 3 December 2014 at 2:30 pm or any adjournment of the meeting is set out on pages 13 to 17 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed on it, together with the power of attorney or other authority (if any) under which the form of proxy is signed or a certified copy of such power of attorney or authority to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting thereof (as the case may be) if you so wish and in such event, your appointment of proxy under any form of proxy shall be deemed to be revoked.

Hong Kong, 24 October 2014

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“2009 Share Option Scheme”	share option scheme of the Company adopted on 10 December 2009
“Annual General Meeting”	the annual general meeting of the Company to be held at Salon 6, JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Admiralty, Hong Kong on 3 December 2014 at 2:30 pm, the notice of which is set out on pages 13 to 17 of this circular, or any adjournment thereof
“associates”	have the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“Company”	Esprit Holdings Limited, a company incorporated in Bermuda with limited liability, the securities of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Final Dividend”	the final dividend of HK\$0.04 per Share for the year ended 30 June 2014 as recommended by the Directors
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	21 October 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information included in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Member(s)” or “Shareholder(s)”	duly registered holder(s) of Shares
“Scrip Share(s)”	new fully paid Shares to be issued pursuant to the Scrip Dividend Reinvestment Scheme, which will rank pari passu in all respects with the existing issued Shares, including entitlements to all future dividends save and except the Final Dividend

DEFINITIONS

“Scrip Dividend Reinvestment Scheme”	a scheme of arrangement that allow Shareholders to elect to receive their Final Dividend wholly or partly in the form of Scrip Shares in lieu of cash
“SFO”	the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the capital of the Company with a par value of HK\$0.10 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission in Hong Kong

Reference to times and dates in this circular are to Hong Kong times and dates.

LETTER FROM THE BOARD

ESPRIT
ESPRIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00330)

Chairman:
Raymond OR Ching Fai
Independent Non-executive Director

Deputy Chairman:
Paul CHENG Ming Fun
Independent Non-executive Director

Executive Directors:
Jose Manuel MARTINEZ GUTIERREZ
Group Chief Executive Officer
Thomas TANG Wing Yung
Group Chief Financial Officer

Non-executive Director:
Jürgen Alfred Rudolf FRIEDRICH

Independent Non-executive Directors:
Alexander Reid HAMILTON
Carmelo LEE Ka Sze
Norbert Adolf PLATT

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Principal place of business
in Hong Kong:*
43/F, Enterprise Square Three
39 Wang Chiu Road
Kowloon Bay
Kowloon
Hong Kong

24 October 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS,
FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you information regarding the resolutions to be proposed at the Annual General Meeting to enable you to make an informed decision on whether to vote for or against the proposed resolutions. The proposed resolutions include, among other matters, (i) the granting of the Repurchase Mandate (as defined below) to the Directors; (ii) the granting of the Issue Mandate (as defined below) to the Directors; (iii) the re-election of the retiring Directors; and (iv) distribution of the Final Dividend with scrip alternative.

LETTER FROM THE BOARD

GRANTING OF THE REPURCHASE MANDATE (*Resolution 5*)

As the general mandate to repurchase Shares granted by Shareholders at the last annual general meeting will lapse at the conclusion of the Annual General Meeting, an ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors a general mandate to exercise all powers of the Company to repurchase issued Shares not exceeding the aggregate of 10 per cent. of the total nominal amount of the issued share capital of the Company as at the date of passing of the resolution at the Annual General Meeting (the “Repurchase Mandate”).

The Repurchase Mandate will lapse on the earliest of the conclusion of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by law or the Bye-laws or the date on which such authority is revoked or varied by ordinary resolution of the Shareholders in general meeting.

Details of the proposed resolution on the Repurchase Mandate are set out in resolution 5 of the notice of the Annual General Meeting. An explanatory statement, as required by the Listing Rules, in connection with the Repurchase Mandate is set out in Appendix I to this circular.

GRANTING OF THE ISSUE MANDATE (*Resolution 6*)

As the general mandate to issue Shares granted by Shareholders at the last annual general meeting will lapse at the conclusion of the Annual General Meeting, an ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors a general and unconditional mandate to issue new Shares not exceeding the aggregate of 5 per cent. of the total nominal amount of the issued share capital of the Company as at the date of passing of the resolution at the Annual General Meeting (the “Issue Mandate”). Any Shares to be allotted or issued pursuant to the Issue Mandate shall not be at a discount of more than 10 per cent. and any refreshment of the Issue Mandate before the next annual general meeting shall be subject to approval of Shareholders in accordance with the Listing Rules.

The Issue Mandate will lapse on the earliest of the conclusion of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by law or the Bye-laws or the date on which such authority is revoked or varied by ordinary resolution of the Shareholders in general meeting.

Purpose of the Issue Mandate

The purpose of the Issue Mandate is to give the Directors flexibility to issue new Shares without having first to obtain the consent of Shareholders in general meeting. The need for such an issue of new Shares could arise, for example, in the context of a transaction which had to be completed in a timely manner, such as the acquisition of a target. The Board is of the view that the granting of such authority is now commonplace in Hong Kong and it would be in the interests of the Company if the authority was granted.

LETTER FROM THE BOARD

Restrictions on Dilution, Discounts and Refreshments

The Board draws the attention of Shareholders to the relevant provisions of the Listing Rules regarding the Issue Mandate, in particular the restriction on dilution, the restriction on discounts and the restrictions on refreshments set out in rules 13.36(2)(b), 13.36(4) and 13.36(5) of the Listing Rules, respectively. Broadly, these rules provide that (a) the aggregate securities allotted or agreed to be allotted must not exceed the aggregate of 20 per cent. of the existing issued share capital of the Company; (b) where securities are being placed for cash consideration, the Company may not issue any securities pursuant to the Issue Mandate at a price representing a discount of 20 per cent. or more; and (c) any refreshments of the Issue Mandate before the next annual general meeting of the Company is subject to the prior approval of the Shareholders in a general meeting.

The full text of rules 13.36(2)(b), 13.36(4) and 13.36(5) of the Listing Rules is set out in Appendix II to this circular.

Other Information on the Issue Mandate

Other than pursuant to any share option scheme or similar arrangement of the Company for the granting or issuance of Shares or rights to acquire Shares, and pursuant to the Scrip Dividend Reinvestment Scheme or any other scrip dividend reinvestment scheme of the Company, the Board has no present intention to grant or issue any further new Shares.

Details of the proposed resolution on the Issue Mandate are set out in resolution 6 of the notice of the Annual General Meeting.

RE-ELECTION OF DIRECTORS (*Resolution 3*)

In accordance with bye-law 87(1) of the Bye-laws, Mr Thomas Tang Wing Yung and Mr Jürgen Alfred Rudolf Friedrich will retire from office by rotation at the Annual General Meeting and, being eligible, will offer themselves for re-election.

In accordance with the terms of reference of the Nomination Committee with due regard to the Board Diversity Policy, the Nomination Committee nominated Mr Tang and Mr Friedrich to the Board. The Board is pleased to recommend Mr Tang and Mr Friedrich for re-election as Directors at the Annual General Meeting.

Particulars of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix III to this circular.

FINAL DIVIDEND (*Resolution 2*)

On 23 September 2014, it was announced that the Board recommended the distribution of a Final Dividend of HK\$0.04 per Share for the year ended 30 June 2014 to the Shareholders whose names appear on the registers of members of the Company at 4:00 pm on 11 December 2014.

LETTER FROM THE BOARD

Pursuant to the Scrip Dividend Reinvestment Scheme, Shareholders will be provided with an option to receive the Final Dividend wholly or partly in form of Scrip Shares in lieu of cash. The Scrip Shares will rank *pari passu* in all respects with the existing issued Shares. The dividend reinvestment price shall be determined by the average closing price of the Shares as published on the Stock Exchange for the five consecutive trading days immediately proceeding 9 December 2014. The Scrip Dividend Reinvestment Scheme is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Scrip Shares to be issued pursuant to the Scrip Dividend Reinvestment Scheme.

For the purpose of determining the Shareholders who qualify for the Final Dividend, the registers of members of the Company will be closed from 9 December 2014 to 11 December 2014 (both dates inclusive), during which period no transfer of Shares can be registered. In order to qualify for the Final Dividend, all transfers, accompanied by the relevant Share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:00 pm on 8 December 2014.

In the event that the resolution in relation to the Final Dividend is approved by the Shareholders at the Annual General Meeting, a circular containing details of the Scrip Dividend Reinvestment Scheme and an election form (where applicable) will be despatched to the Shareholders on or around 19 December 2014.

Subject to the approval of Shareholders at the Annual General Meeting and the Listing Committee's granting the listing of, and permission to deal in, the Scrip Shares, dividend warrants and shares certificates for Scrip Shares will be despatched to the Shareholders by ordinary mail at their own risk on or around 27 January 2015.

ANNUAL GENERAL MEETING

The notice of the Annual General Meeting is set out on pages 13 to 17 of this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other matters, the granting of the Repurchase Mandate, the granting of the Issue Mandate, the re-election of retiring Directors and distribution of Final Dividend with scrip alternative.

The chairman of the Annual General Meeting will put forth each of the resolutions to be proposed at such meeting to be voted by way of a poll pursuant to bye-law 66 of the Bye-laws. None of the Directors nor, to the best of their knowledge and having made all reasonable enquires, any of their associates is aware of any Shareholders who are required to abstain from voting at the Annual General Meeting.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed on it and return it, together with the power of attorney or other authority (if any) under which the form of proxy is signed or a certified copy of such power of attorney or authority, to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting

LETTER FROM THE BOARD

or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting thereof (as the case may be) if you so wish and in such event, your appointment of proxy under any form of proxy shall be deemed to be revoked.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATIONS

The Board considers that the granting of the Repurchase Mandate, the granting of the Issue Mandate, the re-election of retiring Directors and the payment of the Final Dividend with scrip alternative are in the best interests of the Company and its Shareholders as a whole and accordingly recommends you to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Esprit Holdings Limited
Raymond Or Ching Fai
Chairman

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the authorised share capital of the Company was 3,000,000,000 Shares, of which 1,942,790,480 Shares were issued and fully paid.

On the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Repurchase Mandate, if granted, would allow the Company to repurchase up to 194,279,048 Shares (which represent 10 per cent. of the Shares in issue as at the Latest Practicable Date) during the period from the date of passing the resolution at the Annual General Meeting up to the earliest of (i) the conclusion of the next annual general meeting of the Company, (ii) the date by which the next annual general meeting of the Company is required to be held by law or the Bye-laws or (iii) the date upon which such authority is revoked or varied by ordinary resolution of the Shareholders in general meeting.

REASONS FOR REPURCHASES

The Directors believe that it is in the interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, result in an enhancement of the net asset value of the Company and its assets and/or earnings per Share. The Directors are seeking the grant of the Repurchase Mandate to give the Company the flexibility to repurchase Shares if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which they are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then prevailing.

FUNDING OF REPURCHASES

Pursuant to the Repurchase Mandate, repurchases will be made out of funds which are legally available for such purpose in accordance with all applicable laws of Bermuda, the memorandum of association and the Bye-laws of the Company and the Listing Rules.

Under Bermuda law, share repurchases may only be made out of the capital paid up on the relevant Shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purposes of the repurchase; and any premium, if any, payable may only be provided for out of funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

The Directors do not propose to make any share repurchases to the extent that it would, in the circumstances, have a material adverse impact on the working capital or gearing position of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company. Based on the audited consolidated financial statements of the Company as at 30 June 2014 (being the date to which the latest published audited financial statements of the Company have been made up), the Directors consider that the exercise in full of the Repurchase Mandate during the proposed Repurchase Mandate period might have a material adverse impact on the working capital position or gearing position of the Company.

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months prior to the Latest Practicable Date were as follows:

	Per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2013		
October	14.34	12.12
November	17.42	13.90
December	16.42	14.74
2014		
January	16.60	14.54
February	15.16	13.88
March	15.24	12.62
April	14.38	12.70
May	13.02	11.20
June	11.66	10.62
July	12.28	11.02
August	12.84	11.62
September	13.52	10.02
October (up to the Latest Practicable Date)	11.00	9.91

Source: quoted prices from the Stock Exchange's website (www.hkex.com.hk)

REPURCHASE OF SHARES

The Company has not repurchased any Share, whether on the Stock Exchange or otherwise, during the six months immediately preceding the Latest Practicable Date.

EFFECT OF THE TAKEOVERS CODE

A repurchase of Shares by the Company may result in an increase in a Shareholder's proportionate interest in the voting rights of the Company, which will be treated as an acquisition of voting rights for the purposes of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation for the relevant Shareholder(s) to make a mandatory offer in accordance with rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the register of interests kept by the Company under Section 336 of the SFO and so far as was known to the Directors, Lone Pine Capital LLC, the Company's largest single Shareholder, held 244,006,205 Shares, representing approximately 12.55% of the issued share capital of the Company as at such date.

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

On the basis that the issued share capital of the Company remains unchanged up to the date of the Annual General Meeting and in the event that the Directors exercise in full the Repurchase Mandate on the date of the Annual General Meeting, the attributable interest of Lone Pine Capital LLC in the Company would be increased to approximately 13.95% of the total issued share capital of the Company. Accordingly, the Directors are not aware of any consequences that would give rise to an obligation to make a mandatory offer under rules 26 and 32 of the Takeovers Code in the event that the Repurchase Mandate is exercised in full.

DIRECTORS AND THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective close associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate, in the event the Repurchase Mandate is approved by Shareholders.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company and no such persons have undertaken not to sell any Shares held by them to the Company, in the event the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the Listing Rules, all applicable laws of Bermuda and the memorandum of association and the Bye-laws of the Company.

APPENDIX II ADDITIONAL INFORMATION RELATED TO THE ISSUE MANDATE

The Board draws the attention of Shareholders to the restriction on dilution, the restriction on discounts and the restrictions on refreshments set out in rules 13.36(2)(b), 13.36(4) and 13.36(5) of the Listing Rules, respectively.

The full text of rules 13.36(2)(b), 13.36(4) and 13.36(5) of the Listing Rules is set out below.

“(2) *No such consent as is referred to in rule 13.36(1)(a) shall be required: -*

- (b) *if, but only to the extent that, the existing shareholders of the issuer have by ordinary resolution in general meeting given a general mandate to the directors of the issuer, either unconditionally or subject to such terms and conditions as may be specified in the resolution, to allot or issue such securities or to grant any offers, agreements or options which would or might require securities to be issued, allotted or disposed of, whether during the continuance of such mandate or thereafter, subject to a restriction that the aggregate number of securities allotted or agreed to be allotted must not exceed the aggregate of 20% of the existing issued share capital of the issuer (or in the case of a scheme of arrangement involving an introduction in the circumstances set out in rule 7.14(3), 20% of the issued share capital of an overseas issuer following the implementation of such scheme) plus the number of such securities repurchased by the issuer itself since the granting of the general mandate (up to a maximum number equivalent to 10% of the existing issued share capital of the issuer), provided that the existing shareholders of the issuer have by a separate ordinary resolution in general meeting given a general mandate to the directors of the issuer to add such repurchased securities to the 20% general mandate.*

Notes: 1. Other than where independent shareholders' approval has been obtained, an issue of securities to a connected person pursuant to a general mandate given under rule 13.36(2)(b) is only permitted in the circumstances set out in rule 14A.92.

- 2. An overseas issuer does not have to comply with rule 13.36 if its primary listing is or is to be on another stock exchange and it is not subject to any other statutory or other requirement giving pre-emptive rights to shareholders over further issues of share capital.”*

“(4) *Where the issuer has obtained a general mandate from its shareholders pursuant to rule 13.36(2)(b), any refreshments of the general mandate before the next annual general meeting shall be subject to the following provisions:*

- (a) *any controlling shareholders and their associates or, where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates shall abstain from voting in favour;*
- (b) *the Exchange reserves the right to require the following parties to abstain from voting in favour of the relevant resolution at the general meeting:*
- (i) *any parties who were controlling shareholders of the issuer at the time the decision to seek a refreshment of the mandate was made or approved by the board, and their associates; or*

APPENDIX II ADDITIONAL INFORMATION RELATED TO THE ISSUE MANDATE

- (ii) where there were no such controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer at the time the decision to seek a refreshment of the mandate was made or approved by the board, and their respective associates;*
 - (c) the issuer must comply with the requirements set out in rules 13.39(6) and (7), 13.40, 13.41 and 13.42;*
 - (d) the relevant circular to shareholders must contain information relating to the issuer's history of refreshments of mandate since the last annual general meeting, the amount of proceeds raised from the utilisation of such mandate, the use of such proceeds, the intended use of any amount not yet utilised and how the issuer has dealt with such amount. The circular must also contain information required under rule 2.17; and*
 - (e) where the issuer offers or issues securities to its shareholders pro rata to their existing holdings (including where overseas shareholders are excluded for legal or regulatory reasons), it will not be necessary for the issuer to comply with rules 13.36(4)(a), (b) or (c) in order for it to refresh its general mandate immediately thereafter such that the amount in percentage terms of the unused part of the general mandate upon refreshment is the same as the unused part of the general mandate immediately before the issue of securities. In such cases, it need only obtain approval from its shareholders and comply with rule 13.36(4)(d)."*
- “(5) In the case of a placing of securities for cash consideration, the issuer may not issue any securities pursuant to a general mandate given under rule 13.36(2)(b) if the relevant price represents a discount of 20% or more to the benchmarked price of the securities, such benchmarked price being the higher of:*
- (a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate; and*
 - (b) the average closing price in the 5 trading days immediately prior to the earlier of:*
 - (i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate;*
 - (ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate; and*
 - (iii) the date on which the placing or subscription price is fixed,*

unless the issuer can satisfy the Exchange that it is in a serious financial position and that the only way it can be saved is by an urgent rescue operation which involves the issue of new securities at a price representing a discount of 20% or more to the benchmarked price of the securities or that there are other exceptional circumstances. The issuer shall provide the Exchange with detailed information on the allottees to be issued with securities under the general mandate.”

The Board recommends that the Shareholders also refer to rule 13.36 of the Listing Rules for further information.

APPENDIX III PARTICULARS OF DIRECTORS PROPOSED FOR RE-ELECTION

As at the Latest Practicable Date, particulars of the Directors proposed for re-election are as follows:

Thomas Tang Wing Yung, aged 59, has been an Executive Director of the Company and Group Chief Financial Officer since May 2012. He is a member of the General Committee of the Board and a director of certain subsidiaries of the Company. Mr Tang obtained a Bachelor of Science degree in Modern Mathematics from Surrey University, United Kingdom. He has been an associate member of The Institute of Chartered Accountants in England and Wales since 1981. He is also a fellow member of The Hong Kong Institute of Certified Public Accountants (Practising) and has over 30 years of experience in accounting and finance.

Prior to joining the Company, Mr Tang was executive director and chief financial officer of Sino Land Company Limited and Sino Hotels (Holdings) Limited, and chief financial officer of Tsim Sha Tsui Properties Limited until his resignation in March 2012. He first joined these three companies as chief financial officer in November 2003. All these companies are listed on the main board of The Stock Exchange of Hong Kong Limited. Prior to joining the Sino group, he was a managing director of an investment and financial advisory services firm that is a member of an international group, overseeing operations in the Asia-Pacific region. Mr Tang started his career as an accountant working for Peat Marwick (KPMG) in London and Hong Kong. Save as disclosed herein, Mr Tang has not held any directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Mr Tang holds 2,600,000 share options granted to him pursuant to the 2009 Share Option Scheme, representing approximately 0.13% of the total issued share capital of the Company. Save as disclosed herein, Mr Tang does not have any interests in Shares within the meaning of Part XV of the SFO.

Mr Tang has entered into an employment contract with the Company that may be terminated by either party by serving six months' notice in writing. He is subject to retirement by rotation and re-election at general meetings of the Company in accordance with the Bye-laws. Mr Tang is entitled to a salary of HK\$8,000,000 per annum with annual discretionary bonus opportunity of HK\$3,000,000. Mr Tang's remuneration has been reviewed by the Remuneration Committee and was determined with reference to his qualifications, experience, duties and responsibilities within the Group as well as the prevailing market conditions.

Jürgen Alfred Rudolf Friedrich, aged 76, founded Esprit's European operations in 1976 and has been a Non-executive Director of the Company since 1997. He is a member of the Audit Committee and the Remuneration Committee of the Board. He has over 32 years of experience in the apparel distribution and marketing business and is currently retired in Switzerland. He has not held any directorship in other listed public companies in the last three years.

As at the Latest Practicable Date, Mr Friedrich is interested or deemed to be interested in 45,663,669 Shares, representing approximately 2.35% of the total issued share capital of the Company. Out of which, 45,500,000 Shares are held in the capacity of the beneficial owner, 53,669 Shares are held by his spouse Mrs Anke Beck Friedrich, and he also holds 110,000 share options granted to him pursuant to the 2009 Share Option Scheme. Save as disclosed herein, Mr Friedrich does not have any interests in the Shares within the meaning of Part XV of the SFO.

APPENDIX III PARTICULARS OF DIRECTORS PROPOSED FOR RE-ELECTION

Mr Friedrich does not have a service contract with the Company. Mr Friedrich has no fixed term of service with the Company but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Mr Friedrich is entitled to a director's fee of HK\$665,000 per annum, which comprises HK\$480,000 for his directorship, HK\$100,000 for acting as a member of the Audit Committee and HK\$85,000 for acting as a member of the Remuneration Committee. Mr Friedrich's director's fee has been determined by reference to the level of remuneration for non-executive directors of listed companies with a global operation and the demand of the Company for Mr Friedrich's attention as its Non-executive Director.

Neither Mr Tang nor Mr Friedrich has any relationship with any director, member of senior management or substantial or controlling shareholder of the Company.

Save as disclosed above, as at the Latest Practicable Date, there are no other matters in relation to the re-election of Mr Thomas Tang Wing Yung and Mr Jürgen Alfred Rudolf Friedrich that need to be brought to the attention of Shareholders and there is no other information that is required to be disclosed pursuant to rules 13.74 and 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING

ESPRIT

ESPRIT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00330)

NOTICE IS HEREBY GIVEN that the annual general meeting of Esprit Holdings Limited (the “**Company**”) will be held at Salon 6, JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Admiralty, Hong Kong on Wednesday, 3 December 2014 at 2:30 pm (the “**Annual General Meeting**”) for the purpose of transacting the following businesses:

As to ordinary business:

1. To receive and consider the audited consolidated financial statements and the Reports of the Directors and Auditor of the Group for the year ended 30 June 2014;
2. To approve a final dividend of 0.04 Hong Kong dollar per share for the year ended 30 June 2014 with scrip alternative;
3. (a) To re-elect the following persons as directors of the Company (the “**Directors**”):
 - (i) Mr Thomas Tang Wing Yung; and
 - (ii) Mr Jürgen Alfred Rudolf Friedrich;
- (b) To authorise the board of Directors to fix the directors’ fees;
4. To re-appoint Messrs. PricewaterhouseCoopers as auditor of the Company at a remuneration to be determined by the Directors;

and as to special business, to consider and, if thought fit, to pass with or without modification, the following resolutions 5 and 6 as ordinary resolutions:

ORDINARY RESOLUTIONS

5. “**THAT:**
 - (a) subject to paragraph 5(c) below, the exercise by the Directors of the Company during the Relevant Period (as defined in paragraph 5(d) below) of all the powers of the Company to repurchase issued shares in the capital of the Company (“**Shares**”) and any securities which carry a right to subscribe for or purchase Shares, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph 5(a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as defined in paragraph 5(d) below) to procure the Company to repurchase its Shares and any securities which carry a right to subscribe for or purchase Shares at a price determined by the Directors;
- (c) the total nominal amount of Shares which may be purchased pursuant to the approval in paragraphs 5(a) and 5(b) above shall not exceed the aggregate of 10 per cent. of the total nominal amount of the share capital of the Company, and the total number of any securities which carry a right to subscribe for or purchase Shares which may be purchased pursuant to the approval in paragraphs 5(a) and 5(b) above shall not exceed the aggregate of 10 per cent. of the total number of such securities of the Company (or any relevant class thereof), in each case in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meetings.”

6. “**THAT:**

- (a) subject to paragraphs 6(b) and 6(c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph 6(d) below) of all the powers of the Company to allot, issue and deal with additional new Shares and to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such power during or after the end of the Relevant Period be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of additional Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with, pursuant to the approval in paragraph 6(a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph 6(d) below), or (ii) any option scheme or similar arrangement of the Company for the granting or issuance of Shares or rights to acquire Shares, or (iii) the exercise of rights of subscription or conversion under the terms of any warrants issued or to be issued by the Company or any securities which are convertible into Shares, or (iv) any scrip dividend scheme or similar arrangement providing for the

NOTICE OF ANNUAL GENERAL MEETING

allotment of Shares in lieu of the whole or part of a dividend in accordance with the bye-laws of the Company, shall not exceed the aggregate of 5 per cent. of the total nominal amount of the share capital of the Company in issue as at the date of passing of this resolution;

- (c) where the additional Shares are being issued for cash consideration pursuant to the approval in paragraph 6(a) above, the Company may not issue any additional Shares at a discount of more than 10 per cent. to the Benchmark Price (as defined in paragraph 6(d) below); and any refreshments of the approval in paragraph 6(a) above before the next annual general meeting of the Company is subject to the prior approval of the shareholders of the Company in a general meeting; and
- (d) for the purposes of this resolution:

“**Benchmark Price**” means the higher of:

- (i) the closing price of Shares as quoted on the Stock Exchange on the date of the agreement involving the relevant proposed issue of Shares; and
- (ii) the average closing price of Shares as quoted on the Stock Exchange for the 5 trading days immediately preceding the earlier of: (aa) the date of announcement of the transaction or arrangement involving the relevant proposed issue of Shares; (bb) the date of the agreement involving the relevant proposed issue of Shares; and (cc) the date on which the price of Shares proposed to be issued is fixed.

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meetings;

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to the holders of Shares or any class thereof whose names stand on the registers of members on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

By order of the Board
Esprit Holdings Limited
Florence Ng Wai Yin
Company Secretary

Hong Kong, 24 October 2014

Principal place of business in Hong Kong:
43/F, Enterprise Square Three
39 Wang Chiu Road
Kowloon Bay
Kowloon
Hong Kong

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Notes:

- (a) A shareholder of the Company entitled to attend and vote at the Annual General Meeting or any adjournment meeting thereof (as the case may be) is entitled to appoint one or more proxies to attend and vote in his stead. A proxy needs not be a shareholder of the Company. If more than one proxy is appointed, the appointment shall specify the number of shares of the Company in respect of which each such proxy is appointed. A form of proxy for use in connection with the Annual General Meeting is enclosed with the circular to the shareholders of the Company dated 24 October 2014.
- (b) Where there are joint registered holders of any share of the Company, any one of such person may vote at the Annual General Meeting, either personally or by proxy, in respect of such share(s) as if he was solely entitled thereto; but if more than one of such joint holders be present at the Annual General Meeting personally or by proxy, that one of the said persons so present whose name stands first on the registers of members of the Company in respect of such share(s) shall alone be entitled to vote in respect thereof.
- (c) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjourned meeting (as the case may be).

NOTICE OF ANNUAL GENERAL MEETING

- (d) In order to ascertain the rights of shareholders of the Company for the purpose of attending and voting at the Annual General Meeting, the registers of members of the Company will be closed from Monday, 1 December 2014 to Wednesday, 3 December 2014 (both dates inclusive), during which period no transfer of the shares of the Company can be registered. In order to be entitled to attend and vote at the Annual General Meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 pm on Friday, 28 November 2014.
- (e) For the purpose of determining shareholders of the Company who qualify for the final dividend mentioned above, the registers of members of the Company will be closed from Tuesday, 9 December 2014 to Thursday, 11 December 2014 (both dates inclusive), during which period no transfer of the shares of the Company can be registered. In order to qualify for the final dividend mentioned above, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share register in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 pm on Monday, 8 December 2014.
- (f) At the Annual General Meeting, the chairman of the meeting will exercise his power under bye-law 66 of the bye-laws of the Company to put each of the resolutions set out in the notice of the Annual General Meeting to be voted by way of poll. On a poll, every shareholder present in person (or in the case of a corporation by its authorised representative) or by proxy shall have one vote for every share of which he/she/it is the holder.
- (g) Upon arrival at the venue of the Annual General Meeting, voting slip(s) will be given to every shareholder present in person (or in the case of a corporation by its authorised representative) or by proxy to mark his/her/its vote(s). The voting slips will be collected by the scrutineer towards the end of such meeting. After verification by the scrutineer, the poll results will be published on the websites of the Company and the Stock Exchange.
- (h) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
- (i) As at the date hereof, the board of Directors 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) Mr Raymond Or Ching Fai (Chairman), Mr Paul Cheng Ming Fun (Deputy Chairman), Mr Alexander Reid Hamilton, Mr Carmelo Lee Ka Sze and Mr Norbert Adolf Platt as Independent Non-executive Directors.