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**DAPHNE INTERNATIONAL HOLDINGS LIMITED**  
**達 芙 妮 國 際 控 股 有 限 公 司\***  
(Incorporated in the Cayman Islands with limited liability)  
(Stock code: 210)

**APPOINTMENT OF ALTERNATE DIRECTOR**

The Board announces that Mr. Jin-Goon Kim has been appointed as an alternate director to Ms. Ma Xuezheng, a non-executive director of the Company, with effect from 1 September 2009.

This announcement is made pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of Daphne International Holdings Limited (the “**Company**”) announces that Mr. Jin-Goon Kim (“**Mr. Kim**”) has been appointed as an alternate director to Ms. Ma Xuezheng (“**Ms. Ma**”), a non-executive director of the Company, with effect from 1 September 2009.

Mr. Kim, aged 42, is the director of operations of TPG Capital, Limited (“**TPG**”), an affiliate of TPG Premier Ltd. (“**TPG Premier**”), which is the holder of the Bonds and the Warrants (as defined in the Company’s announcement dated 25 May 2009). Mr. Kim graduated from Harvard University with a Bachelor Degree in Arts majored in Government and East Asian Studies in 1992 and a Master Degree in International Trade and Finance in 1997. He worked as the engagement manager of McKinsey & Company, a leading international management consulting firm during 1996 to 2000 and as the vice president of Internet Business Capital Corporation in Cambridge, Massachusetts, a privately funded early-stage venture capital firm from 2000 to 2002. Prior to joining TPG, Mr. Kim worked for Dell Inc., a NASDAQ-listed company as the managing director of its Korea business from 2002 to 2006. In Mr. Kim’s capacity as the director of operations of TPG, Mr. Kim supervises operations and serves on the boards of certain portfolio companies that various affiliates of TPG have invested in, including Guanghui Automobile Services Co., Ltd. (“**CGA**”), a leading auto services and retail network with over USD4 billion in revenues, for which Mr. Kim currently serves as an executive director and the Chief Executive Officer. Mr. Kim has also been designated by TPG Premier as its observer on the Board after completion of the issue of the Bonds and the Warrants.

*\* for identification purpose only*

Mr. Kim has not entered into any service contract with the Company and no fixed term has been agreed with the Company in relation to his appointment as alternate director to Ms. Ma. Pursuant to the Company's articles of association ("**Articles**"), the appointment of Mr. Kim as an alternate director to Ms. Ma shall remain effective until Ms. Ma ceases to be a director of the Company or Mr. Kim's appointment has been revoked by Ms. Ma, whichever is earlier. Pursuant to the Articles, Mr. Kim shall not be entitled to receive any remuneration from the Company in respect of his appointment as an alternate director except only such part (if any) of the remuneration otherwise payable to Ms. Ma as she may direct by notice in writing to the Company from time to time.

Save as disclosed above, Mr. Kim does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company nor does he hold any other positions with the Company or any of its subsidiaries. As at the date of this announcement, Mr. Kim is not interested in any shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong.

Save as disclosed above, Mr. Kim is not aware of any other matters that need to be brought to the attention of the shareholders of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in relation to the aforesaid appointment of Mr. Kim as an alternate director.

By Order of the Board  
**Daphne International Holdings Limited**  
**Chen Ying-Chieh**  
*Chairman*

Hong Kong, 1 September 2009

*As at the date of this announcement, the Board comprises Mr. Chen Ying-Chieh, Mr. Chen Hsien Min, Mr. Chang Chih-Kai and Mr. Chang Chih-Chiao being the executive directors, Ms. Ma Xuezheng being the non-executive director, Mr. Hsiao Hsi-Ming, Mr. Huang Shun-Tsai and Mr. Kuo Jung-Cheng being the independent non-executive directors and Mr. Kim Jin-Goon being the alternate director to Ms. Ma Xuezheng.*