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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)

**CHANGES OF INDEPENDENT NON-EXECUTIVE DIRECTORS
AND
MEMBERS OF AUDIT COMMITTEE, REMUNERATION COMMITTEE AND
NOMINATION COMMITTEE**

The Board announces that Mr. Hsiao Hsi-Ming has resigned as an independent non-executive director, the chairman and member of the audit committee, a member of the remuneration committee and the nomination committee of the Company with effect from 1 September 2011. The Board also announces the appointment of Mr. Lee Ted Tak Tai as an independent non-executive director, the chairman and member of the audit committee, a member of the remuneration committee and the nomination committee of the Company, with effect from 1 September 2011.

The board of directors (the “Board”) of Daphne International Holdings Limited (the “Company”) announces that Mr. Hsiao Hsi-Ming (“Mr. Hsiao”) has tendered his resignation as an independent non-executive director, the chairman and member of the audit committee, a member of the remuneration committee and the nomination committee of the Company with effect from 1 September 2011, as he would like to concentrate on other interests.

The Board would like to express its sincere gratitude to Mr. Hsiao for his invaluable contribution to the Company and its subsidiaries (the “Group”) during his tenure of office.

Mr. Hsiao has confirmed that he has no disagreement with the Board and there is no matter that needs to be brought to the attention of the shareholders of the Company in relation to his resignation from the above-mentioned capacities.

The Board also announces that Mr. Lee Ted Tak Tai (“Mr. Lee”) has been appointed as an independent non-executive director, the chairman and member of the audit committee, a member of the remuneration committee and the nomination committee of the Company with effect from 1 September 2011.

Mr. Lee, aged 60, is managing director of T Plus Capital Limited which is engaged in the provision of strategic, financial and business development advisory services. Mr. Lee has extensive experience in auditing and accounting sectors. Currently Mr. Lee is an independent non-executive director and audit committee chairman of Boshiwa International Holding Limited, a company listed on The Stock Exchange of Hong Kong Limited (“HKSE”), an independent director and audit committee chairman of China Ming Yang Wind Power Group Limited, a company listed on U.S. New York Stock Exchange (“NYSE”), and an independent director and audit committee chairman of Tudou Holdings Limited, a company listed on the National Association of Securities Dealers Automated Quotations (“NASDAQ”). Previously, Mr. Lee was an independent director and audit

committee chairman of Chemspec International Limited, a company listed on the NYSE and he served as an executive director at Prax Capital, a private equity firm, from 2007 to 2009. Mr. Lee was also a senior partner at Deloitte where he worked for over 30 years both in the United States and Asia. Mr. Lee graduated from California State University, Fresno, in 1973 with a bachelor's degree in accounting and obtained a MBA degree from University of Southern California in 1979. Mr. Lee is a member of American Institute of Certified Public Accountants, California Society of Certified Public Accountants, Hong Kong Institute of Certified Public Accountants, American Chamber of Commerce and a U.S. certified public accountant (inactive).

Mr. Lee has entered into a service contract with the Company detailing the terms of his appointment. Mr. Lee has been appointed for an initial fixed term of 2 years commencing from 1 September 2011 as an independent non-executive director which may be terminated by either party furnishing written notice of not less than 1 month and in any event subject to retirement by rotation and re-election at annual general meeting pursuant to the articles of association of the Company. Mr. Lee is entitled to a director's fee of HK\$362,000 per annum with reference to the market conditions and his experience and qualification.

Save as disclosed above, Mr. Lee 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 Group. As at the date of this announcement, Mr. Lee does not have any interest (within the meaning of Part XV of the Securities and Futures Ordinance) in the securities of the Company, and he has not been a director of any other listed companies in Hong Kong and overseas in the past three years.

Save as disclosed above, Mr. Lee 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 Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on the HKSE in relation to the appointment of Mr. Lee as a director of the Company.

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

Hong Kong, 18 August 2011

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

* *for identification purpose only*