

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

Unaudited Operational Update for the Third Quarter of 2015

The board of directors (“Board”) of Daphne International Holdings Limited (“Company”, together with its subsidiaries, “Group”) announces the unaudited operational data and information of the Group’s Core Brands business for the third quarter ended 30 September 2015 as follows:

Core Brands Business	For the third quarter of 2015	For the first three quarters of 2015
Same-store sales growth rate <i>(YoY % change)</i>	-19.7%	-17.9%
Net increase/decrease of points-of-sale (“POS”)	-219 <i>(reduced 191 directly-managed stores, and 28 franchised stores)</i>	-400 <i>(reduced 308 directly-managed stores, and 92 franchised stores)</i>

Core Brands Business	As at 30 September 2015
Total number of POS	6,002

Note: Core Brands business refers to the operation of “Daphne” and “Shoebox” brands in Mainland China

For the third quarter of 2015, same-store sales of the Group’s Core Brands business recorded a decline of 19.7% year on year, under a high base effect of +6.3% same-store sales growth for the same period last year. Overall, the same-store sales growth of the Core Brands for the first three quarters of 2015 was -17.9% year on year.

The same-store sales decline was more driven by the lower average selling price (“ASP”), although both ASP and sales volume recorded a decrease.

The Group continued the consolidation of the sales network, with a net closure of 219 POS during the third quarter (with a reduction of 191 directly-managed stores and 28 franchised stores), and therefore had a total of 6,002 POS under its Core Brands business as at 30 September 2015. In addition, the Group’s e-commerce continued its sales growth during the third quarter.

* for identification purpose only

Shareholders and potential shareholders of the Company are cautioned not to unduly rely on such information, and are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 14 October 2015

As at the date of this announcement, the Board comprises Mr. Chen Ying-Chieh, Mr. Chang Chih-Chiao, Mr. Chang Chih-Kai and Mr. Chen Tommy Yi-Hsun being the executive directors; Mr. Huang Shun-Tsai, Mr. Kuo Jung-Cheng and Mr. Lee Ted Tak Tai being the independent non-executive directors.