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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)

**RE-DESIGNATION OF DIRECTOR,
CHANGE OF AUTHORISED REPRESENTATIVE AND
APPOINTMENT OF CHIEF EXECUTIVE OFFICER**

The Board announces that with effect from 27 January 2011:

- (1) Mr. Chen Hsien Min, an executive director and the managing director of the Company, has been re-designated as a non-executive director and appointed as the Vice-chairman of the Company and has ceased to be the managing director and an authorised representative of the Company; and
- (2) Mr. Chen Ying-Chieh, an executive director and the chairman of the Company, has been appointed as an authorised representative and the chief executive officer of the Company.

Re-designation of Director

The board of directors (the “Board”) of Daphne International Holdings Limited (the “Company”) announces that Mr. Chen Hsien Min, an executive director and the managing director of the Company, has been re-designated as a non-executive director and appointed as the vice-chairman of the Company and has ceased to be the managing director and an authorised representative of the Company, all with effect from 27 January 2011.

Mr. Chen Hsien Min, aged 60, is one of the founders of the Company and its subsidiaries (the “Group”) and has served the Group for over 20 years. Mr. Chen has not held directorships in any other listed public companies in the last three years.

Mr. Chen is an uncle of the Mr. Chen Ying-Chieh, an executive director and the chairman of the Company, and Mr. Chang Chih-Kai and Mr. Chang Chih-Chiao, both executive directors of the Company. As at the date of this announcement, Mr. Chen is interested in 12,000,000 underlying shares of the Company pursuant to share options within the meaning of Part XV of the Securities & Futures Ordinance (“SFO”), representing approximately 0.73% of the issued share capital of the Company. Mr. Chen is the father of Ms. Chen Yi-Chen and Mr. Chen Yi-Hsun (a manager of the Group), who have beneficial interests of 50% each in Top Glory Assets Limited, which holds 200,846,895 shares of the Company. Save as disclosed above and other than the relationship arising from him being a non-executive director, Mr. Chen does not has any relationship with any directors, senior management, substantial or controlling shareholders of the Company.

As at the date of this announcement, the Company does not have any appointment agreement with Mr. Chen Hsien Min. Mr. Chen has no fixed term of service with the Company and is subject to the relevant provisions of retirement and re-election at annual general meetings of the Company in

accordance with the Articles of Association of the Company. Mr. Chen is entitled to an annual emolument which will be determined by the Board by reference to market conditions and the performance, qualification and experience of Mr. Chen.

Change of authorised representative and appointment of chief executive officer

Following the re-designation of director as aforesaid, Mr. Chen Ying-Chieh, an executive director and the chairman of the Company, has been appointed as an authorised representative and the chief executive officer of the Company with effect from 27 January 2011.

Mr. Chen Ying-Chieh, aged 41, has been an executive director of the Company since 1996 and was appointed as the chairman of the Company in 2004. Mr. Chen is a director of certain subsidiaries of the Group and he has not held directorships in any other listed public companies in the last three years.

Mr. Chen is a nephew of Mr. Chen Hsien Min and a cousin of Mr. Chang Chih-Kai and Mr. Chang Chih-Chiao. As at the date of this announcement, Mr. Chen is interested in 163,738,920 shares of the Company, including 16,000,000 underlying shares pursuant to share options within the meaning of Part XV of the SFO, representing approximately 10.00% of the issued share capital of the Company. Save as disclosed above, Mr. Chen does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company.

The emolument of Mr. Chen Ying-Chieh will be determined by the Board with reference to his duties, responsibilities and prevailing market conditions.

Save as disclosed in this announcement, there is no other information to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited nor are there other matters that need to be brought to the attention of the shareholders of the Company in relation to the re-designation of director, change of authorised representative and appointment of chief executive officer.

The Board wishes to express its sincere gratitude to Mr. Chen Hsien Min for his invaluable contribution to the Group during the tenure of his office as executive director and welcomes Mr. Chen Ying-Chieh in his new role in the Company.

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

Hong Kong, 27 January 2011

As at the date of this announcement, the Board comprises Mr. Chen Ying-Chieh, Min, Mr. Chang Chih-Kai and Mr. Chang Chih-Chiao being the executive directors, Mr. Chen Hsien and Ms. Ma Xuezheng 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. Kim Jin-Goon being the alternate director to Ms. Ma Xuezheng.

* *for identification purpose only*