

[For Immediate Release]

DAPHNE

Daphne Announces 2025 Interim Results Revenue and Profit Attributable to Shareholders up 17% and 24% Respectively

Remains firmly committed to its strategic direction, progressing at a measured, steady pace while maintaining a prudent, proactive and optimistic approach to business operations

(RMB' million)	For six months ended 30 June		
	2025	2024	Change (%)
Revenue	198.3	168.8	+17%
Gross profit	106.1	85.8	+24%
Operating profit	70.5	56.7	+24%
Profit attributable to shareholders	64.7	56.1	+15%
Basic earnings per share (RMB)	0.033	0.028	+18%

(20 August 2025 – Hong Kong) – A renowned ladies' footwear brand group in China – Daphne International Holdings Limited (“Daphne” or the “Group”, stock code: 210), today announced its unaudited consolidated interim results for the six months ended 30 June 2025 (the “Period”).

In the first half of 2025, despite shifting in consumer behaviour and ongoing industry pressures, the Group's multi-faceted efforts enabled it to deliver steady growth in both revenue and operating profit. For the Period, the Group's total revenue increased by 17% year-on-year to approximately RMB198.3 million. Gross profit increased by 24% to approximately RMB106.1 million. Operating profit grew by 24% to approximately RMB70.5 million and profit attributable to shareholders increased by 15% to approximately RMB64.7 million. Basic earnings per share was RMB0.033. The Group consistently delivered satisfactory results and remained firmly on track to achieve its development goals. Its steady progress underscores the Group's resilience and effective execution, enabling it to sustain healthy growth even amid a challenging operating environment.

Commenting on the interim results, **Mr. Chang Chih-Chiao, Daphne's Chief Executive Officer**, said, “Seizing on resilience as a key to long-term success, the Group navigated market changes and evolving consumer preferences with a robust, forward-looking strategy. By striking a balance among brand licensing, wholesale and direct retail operations, the Group achieved a diversified business layout and consolidated the foundation for sustainable growth. Adopting a dual-focus approach, the Group devoted substantial effort to bolstering the core “DAPHNE” brand's industry leadership while vigorously cultivating the “DAPHNE.LAB” brand to capture new market opportunities. In the first half of 2025, although macroeconomic indicators were generally positive, the domestic retail landscape remained highly challenging, mounting considerable pressure on both online and offline operations. Even as an industry leader, the Group faced heightened operational challenges during the Period. Guided by an experienced management team, the Group further refined its established operating model, strengthened brand licensing and distribution business and adopted lean supply chain management to build resilience and adaptability. Adhering to a prudent principle and drawing on its proven development strategies, the Group achieved a well-paced expansion of its online network while maintaining a stable offline network.”

Brand Licensing and Distribution Business

Building on last year's successful brand revamp, the Group announced Victoria Song, a renowned Chinese artist, as its new global brand spokesperson in May 2025. The announcement generated widespread market buzz across social media, outdoor advertising and digital platforms, sparking a dazzling brand comeback that not only reinforced loyalty among existing customers, but also successfully attracted younger demographics. This surge in brand interest translated into greater public recognition, an enhanced brand reputation and improved sales performance. "DAPHNE" brand rejuvenation has also reached to the very core of product design, with originality at the heart of its identity. Fusing superior comfort with an effortlessly chic aesthetic, the original "CloudSoft" collection has gained significant sales traction following spokesperson endorsement. Building on last year's positive receptivity, the Group has continued to expand into other products for "DAPHNE", such as children's shoes and handbags, consistently delivering promising results and creating substantial future growth potential for the brand.

In the first half of 2025, leveraging its position as a market leader, the Group actively bolstered its brand licensing business by maintaining its presence on established e-commerce platforms such as "Tmall" and "JD.com", while also achieving notable growth on emerging channels like "Douyin" and "Pinduoduo". Recognising that consumer loyalty increasingly stems from emotional connection rather than competitive pricing alone, the Group has actively leveraged popular platforms such as "Kuaishou", "RedNote" and "DEWU.com" to reach younger audiences through short-form videos and collaborations with influencers, fostering meaningful engagement and enhancing positive exposure across digital platforms.

Retail Business

Since its debut just two years ago, the Group's avant-garde brand "DAPHNE.LAB" has garnered positive reception for its daring aesthetic and strong brand image. The brand has also gained traction and love from numerous well-known Chinese and Korean celebrities and K-pop girl group members, gradually becoming their preferred stylish footwear. The growing presence among celebrities has led to increased coverage and discussion in domestic and international media, significantly enhancing its global influence and reputation. With consistent e-commerce sales growth and increasing brand recognition, "DAPHNE.LAB" is quickly establishing itself as a rising star in the industry, proving the effectiveness of its creative strategy.

Driven by a forward-looking vision and a strong track record in creative collaborations with emerging designers and artists, the Group continued to strategically invest resources in product innovation and brand building. This spring, "DAPHNE.LAB" partnered with a trendsetting artist to launch the "Lollipop 2.0" slippers, a bold reinterpretation of a classic style centered on rebellion and individuality, embodying its "Dare To Be" brand ethos. The collection was met with enthusiastic market response upon launch, further strengthening the brand's connection with consumers. Meanwhile, "DAPHNE.LAB" continued to collaborate with celebrities and influencers across various platforms, creating diverse and engaging content to boost brand awareness, drive product sales, and accelerate market penetration.

Benefitting from increased exposure through celebrities and influencers and impactful digital marketing, "DAPHNE.LAB" achieved considerable e-commerce growth, fuelling the rapid expansion of its loyal customer base. This positive market response has also provided a solid foundation for the Group's offline retail development. Currently, the Group operates 2 directly-managed offline stores and 6 online shops under the brand of "DAPHNE.LAB", and continues to refine its offline strategy in line with consumer trends and retail dynamics.

The Group has been optimising its supply chain to improve overall efficiency and maintain strict quality control. The measures taken by the Group have strengthened its ability to respond swiftly to market demands and effectively translate innovative designs into market-ready products. As a result, during the period under review, the Group successfully navigated short-term challenges and continued scaling order fulfilment, further strengthening both brand competitiveness and market presence.

Outlook

Structural issues in China such as weak domestic demand and overcapacity may weigh on its growth in the near term. Nevertheless, its long-term economic fundamentals remain solid. Meanwhile, China's retail sector is undergoing a major shift from promotion-driven to value-driven consumption, with ongoing policy support aimed at boosting domestic demand. Despite soft consumer sentiment, the Group is optimistic about China's retail fundamentals in the long run, supported by its vast market and potential.

Looking ahead to the second half of 2025, **Mr. Chang Chih-Chiao, Chief Executive Officer**, said, "With years of strategic refinement and successful business transformation, Daphne has established a strong foundation to navigate an increasingly dynamic retail landscape. Amid ongoing market shifts and rising competition, the Group remains firmly committed to its strategic direction, progressing at a measured, steady pace while maintaining a prudent, proactive and optimistic approach to business operations. The Group remains confident in meeting its 2025 targets, maintain a prudent stance during the medium-term transition phase and holds an optimistic long-term view of China's economic development. With a keen eye on policy directions and evolving consumer trends, the Group will refine its strategies across product development, category expansion, licensing and distribution, marketing and supply chain management to support continued resilience. In pursuit of sustainable growth, the Group will continue adopting a diversified business model that integrates brand licensing, direct retail and wholesale business to strengthen adaptability and long-term competitiveness, provide high-quality products to consumers and create ideal returns for investors."

– END –

About Daphne

Daphne is a renowned ladies' footwear brand group in China which primarily engaged in the brand licensing, distribution and sale of footwear products and accessories in Mainland China. The Group currently boasts two major brands, among which the core brand "Daphne" has become a leading mass-market ladies' footwear brand in Mainland China. The innovative brand "DAPHNE.LAB", launched in 2023, garnered favorable market response upon the debut of its unique designed original collections.

For enquiries, please contact :

iPR Ogilvy Ltd.

Callis Lau / Emily Chiu

Email: daphne@iprogilvy.com