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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)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025

HIGHLIGHTS OF 2025 ANNUAL RESULTS

- Revenue increased by 13% to approximately RMB363.5 million
- Operating profit increased by 28% to approximately RMB123.8 million
- Profit attributable to shareholders of the Company increased by 9% to approximately RMB116.6 million
- Basic earnings per share was RMB0.059
- Proposed final dividend of HK\$0.02 per share
- Cash and bank balances amounted to approximately RMB569.3 million

* *for identification purpose only*

ANNUAL RESULTS

The board of directors (the “**Board**”) of Daphne International Holdings Limited (the “**Company**”) announces the audited consolidated annual results of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 December 2025, together with the comparative figures for 2024.

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 RMB'000	2024 RMB'000
Revenue	3	363,544	322,297
Cost of sales		(172,834)	(159,696)
		<hr/>	<hr/>
Gross profit		190,710	162,601
Other income	4	53,689	51,060
Other (losses)/gains – net	5	(688)	960
Selling and distribution expenses		(60,357)	(51,922)
General and administrative expenses		(61,033)	(66,996)
Reversal of impairment loss on financial assets		1,445	892
		<hr/>	<hr/>
Operating profit	6	123,766	96,595
Finance costs	7	(209)	(360)
Share of profit of associates		78	93
		<hr/>	<hr/>
Profit before income tax		123,635	96,328
Income tax (expense)/credit	8	(6,779)	9,742
		<hr/>	<hr/>
Profit for the year		116,856	106,070
		<hr/> <hr/>	<hr/> <hr/>
<i>Attributable to:</i>			
Shareholders of the Company		116,586	106,597
Non-controlling interests		270	(527)
		<hr/>	<hr/>
		116,856	106,070
		<hr/> <hr/>	<hr/> <hr/>
Earnings per share	9		
- Basic (<i>RMB</i>)		0.059	0.054
		<hr/>	<hr/>
- Diluted (<i>RMB</i>)		0.057	0.054
		<hr/> <hr/>	<hr/> <hr/>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025**

	2025	2024
	RMB'000	RMB'000
Profit for the year	116,856	106,070
Other comprehensive (loss)/income	-----	-----
<i>Items that may be reclassified to profit or loss:</i>		
Exchange differences on translation of foreign operations	(3,984)	1,166
Total comprehensive income for the year	<u>112,872</u>	<u>107,236</u>
<i>Attributable to:</i>		
Shareholders of the Company	112,602	107,763
Non-controlling interests	270	(527)
	<u>112,872</u>	<u>107,236</u>

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025**

	Note	2025 RMB'000	2024 RMB'000
Non-current assets			
Investment properties		349,051	365,832
Property, plant and equipment		5,508	4,209
Right-of-use assets		6,962	6,539
Interests in associates		1,270	1,192
Deferred income tax assets		16,307	15,115
		<u>379,098</u>	<u>392,887</u>
Current assets			
Inventories		5,358	4,388
Trade receivables	11	6,873	7,235
Deposits, prepayments and other receivables		15,447	20,015
Other financial assets		10,775	30,477
Time deposits with original maturities over three months		83,364	-
Cash and cash equivalents		485,947	476,170
		<u>607,764</u>	<u>538,285</u>
Current liabilities			
Trade payables	12	33,698	36,891
Accrued charges and other payables		39,181	38,212
Contract liabilities		33,915	54,081
Lease liabilities		4,529	3,126
Current income tax liabilities		1,321	24,624
		<u>112,644</u>	<u>156,934</u>
Non-current liabilities			
Lease liabilities		2,537	3,854
Deferred income tax liabilities		32,921	8,141
		<u>35,458</u>	<u>11,995</u>
Net current assets		<u>495,120</u>	<u>381,351</u>
Net assets		<u>838,760</u>	<u>762,243</u>
Equity attributable to shareholders			
Share capital		175,202	175,202
Reserves		659,594	583,347
		<u>834,796</u>	<u>758,549</u>
Non-controlling interests		<u>3,964</u>	<u>3,694</u>
Total equity		<u>838,760</u>	<u>762,243</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

Daphne International Holdings Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) are principally engaged in licensing, distribution and sale of footwear products and accessories in Chinese Mainland.

The Company was incorporated in the Cayman Islands with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1- 1111, Cayman Islands.

The consolidated financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated.

2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards (“**HKFRSs**”), which collectively includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which is measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

(i) Amended standard adopted by the Group

The Group has applied the following amended standard for the first time for their annual reporting period commencing 1 January 2025:

Amendments to HKAS 21 and HKFRS 1 Lack of Exchangeability

The adoption of the above amended standard did not have any material impact on the Group’s operations or financial position.

(ii) New and amended standards and interpretation not yet adopted

Certain new and amended standards and interpretation have been published that are not yet effective for annual period ended 31 December 2025 and have not been early adopted by the Group.

Amendments to HKFRS 7 and HKFRS 9	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11 ¹
HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ *Effective for reporting period beginning on 1 January 2026*

² *Effective for reporting period beginning on 1 January 2027*

³ *Effective for reporting period beginning on or after a date to be determined*

The Group plans to adopt the above new standards, amendments to standards and interpretation when they become effective. Further information about those HKFRSs that are expected to be applicable to the Group is described below.

HKFRS 18 introduces new requirements for presentation within the consolidated statement of comprehensive income, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified “roles” of the primary financial statements and notes. In addition, narrow-scope amendments have been made to HKAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from “profit or loss” to “operating profit or loss” and removing the optionality around classification of cash flows from dividends and interest. There are also consequential amendments to several other standards. HKFRS 18 is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. HKFRS 18 will apply retrospectively. The new requirements are expected to impact the Group’s presentation of the statement of profit or loss and disclosures of the Group’s financial performance. So far, the Group considers that the adoption of HKFRS 18 is unlikely to have a significant impact on the Group’s results of operations and financial position.

The Group is in the process of making an assessment of the impact of the other new standards, amendments to standards and interpretation upon their initial application. So far, the Group considers that these other new standards, amendments to standards and interpretation may result in changes in accounting policies but are unlikely to have a significant impact on the Group’s consolidated financial performance and financial position.

3 Revenue and segment information

The Group is principally engaged in licensing, distribution and sale of footwear products and accessories in Chinese Mainland.

Chief operating decision-maker has been identified as the executive directors of the Company. Information reported to the executive directors of the Company, for the purposes of resources allocation and assessment of performance, focused specifically on the revenue and the profit or loss of the Group as a whole. Hence, the directors of the Company consider that the Group has only one reportable segment.

The Group's revenue is derived from customers located in Chinese Mainland and most of the non-current assets of the Group are located in Chinese Mainland. Accordingly, no geographical information is presented.

	2025	2024
	RMB'000	RMB'000
Sales of goods	213,422	195,252
Licensing fee income	150,122	127,045
	<u>363,544</u>	<u>322,297</u>

The five largest customers accounted for approximately 73% (2024: 81%) of the revenue of the Group for the year ended 31 December 2025. Revenue individually generated from the following customers contributed more than 10% of the total revenue of the Group:

	2025	2024
	RMB'000	RMB'000
Customer A	91,670	96,248
Customer B	51,459	52,745
Customer C	49,138	48,838
Customer D	42,535	35,287

Contract liabilities pertain to the non-refundable advance payment made by customers and rebates yet to be claimed by franchisees which will be settled by goods only. The Group recognised the following liabilities related to contracts with customers as at 31 December 2025:

	2025	2024
	RMB'000	RMB'000
Contract liabilities	33,915	54,081

For the year ended 31 December 2025, the revenue recognised that was included in the contract liabilities balance at the beginning of the year was RMB54,081,000 (2024: RMB 34,201,000).

4	Other income	2025 RMB'000	2024 RMB'000
	Gross rental income	41,804	39,855
	Interest income	10,106	8,830
	Government subsidies	322	1,033
	Others	1,457	1,342
		53,689	51,060
		53,689	51,060
5	Other (losses)/gains – net	2025 RMB'000	2024 RMB'000
	Fair value gains on financial assets at fair value through profit or loss	463	311
	Gain on termination of leases	-	3,001
	Impairment loss of investment properties	-	(12,789)
	Loss on disposal of property, plant and equipment	(75)	(68)
	Net exchange (losses)/gains	(1,076)	505
	Reversal of impairment loss on value-added tax recoverable	-	10,000
		(688)	960
		(688)	960
6	Operating profit		
	Operating profit is stated after charging the following:		
		2025 RMB'000	2024 RMB'000
	Auditors' remuneration		
	- Audit services	1,886	2,097
	- Non-audit services	141	-
	Cost of inventories sold, including provision for inventories obsolescence of RMB2,400,000 (2024: RMB3,775,000)	172,834	159,696
	Depreciation of investment properties	16,781	15,843
	Depreciation of property, plant and equipment	1,449	943
	Depreciation of right-of-use assets	3,366	4,804
	Employee benefits expense	49,448	46,455
	Marketing and promotion expenses	22,469	18,063
		22,469	18,063
		22,469	18,063
7	Finance costs	2025 RMB'000	2024 RMB'000
	Interest on lease liabilities	209	360
		209	360
		209	360

8 Income tax (expense)/credit

	2025 RMB'000	2024 RMB'000
Current income tax		
- Chinese Mainland	(6,321)	(1,349)
- Over-provision in prior years (<i>Note</i>)	8,836	-
Deferred income tax	(9,294)	11,091
	<u>(6,779)</u>	<u>9,742</u>

Note: During the year ended 31 December 2025, management reassessed certain tax positions relating to prior periods and concluded that the payment in respect of those positions is no longer expected. As a result, the corresponding tax provisions were derecognised in the consolidated income statement.

Hong Kong Profits Tax is calculated at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong, except for the first HK\$2,000,000 of qualified entity's assessable profit is calculated at 8.25%, which is in accordance with the two-tiered profits tax rates regime. No provision for Hong Kong profits tax has been made in the consolidated financial statements as the Group did not have any assessable profit arising in Hong Kong during the two years ended 31 December 2025 and 2024.

Provision for China corporate income tax is calculated based on the statutory tax rate of 25% (2024: 25%) on the assessable income of each of the Group's entities incorporated in Chinese Mainland. In accordance with the relevant China corporate income tax laws, implementation regulations and guidance notes, certain subsidiaries of the Group in Chinese Mainland are entitled to tax concessions whereby the profits of these subsidiaries are taxed at a preferential income tax rate.

Pursuant to China corporate income tax laws, withholding tax on dividends is levied on foreign investors at 10% (2024: 10%) or at a preferential rate of 5% (2024: 5%) by treaty. Withholding tax on royalties at a reduced rate of 7% (2024: 7%) by treaty is applied to the Group's entities incorporated in Hong Kong for royalties received or receivable, net with value-added tax.

9 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company of RMB116,586,000 (2024: RMB106,597,000) by the weighted average number of 1,978,598,429 shares (2024: 1,978,598,429 shares) in issue for the year ended 31 December 2025.

Diluted earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the adjusted weighted average number of shares, after taking into consideration of the exercise of share options as follows:

	Number of shares	
	2025	2024
Weighted average number of shares in issue	1,978,598,429	1,978,598,429
Effect of exercise of share options	59,459,514	4,386,743
Adjusted weighted average number of shares for dilution effect	<u>2,038,057,943</u>	<u>1,982,985,172</u>

On the other hand, 11,250,000 share options were not dilutive as the exercise price of these share options exceeded the average market price of the Company's shares during the years ended 31 December 2025 and 2024 and were excluded in the calculation of diluted earnings per share.

10 Dividends

	2025 RMB'000	2024 RMB'000
Final dividend of HK\$0.02 per share for the year ended 31 December 2024 (2024: HK\$0.01 per share for the year ended 31 December 2023) provided for or paid during the year	<u>36,355</u>	<u>17,934</u>

The Board recommended the payment of a final dividend of HK\$0.02 (2024: HK\$0.02) per share in respect of the year ended 31 December 2025, totalling approximately RMB35,579,000 (2024: RMB37,198,000). The proposed final dividend is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting. These consolidated financial statements do not reflect the financial impact of this proposed final dividend for the year ended 31 December 2025.

11 Trade receivables

	2025 RMB'000	2024 RMB'000
Trade receivables	14,295	16,636
Less: loss allowance	(7,422)	(9,401)
Trade receivables - net	<u>6,873</u>	<u>7,235</u>

The ageing analysis of trade receivables, net of loss allowance, based on invoice date is as follows:

	2025 RMB'000	2024 RMB'000
0 - 30 days	5,380	5,433
31 - 60 days	935	1,251
Over 60 days	558	551
	<u>6,873</u>	<u>7,235</u>

The carrying amounts of trade receivables, net of loss allowance, are denominated in RMB and approximate their fair value. The Group generally allows a credit period of 30 to 60 days to its trade customers. Certain customers may have specific extended terms agreed upon with the Group.

12 Trade payables

The carrying amounts of trade payables are considered to be the same as their fair value due to their short-term in nature. The ageing analysis of trade payables based on invoice date is as follows:

	2025 RMB'000	2024 RMB'000
0 - 30 days	32,984	34,729
31 - 60 days	493	43
Over 60 days	221	2,119
	<u>33,698</u>	<u>36,891</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In 2025, the global economy showed limited recovery momentum amid geopolitical disruptions, adjustments to international economic and trade rules and accelerated restructuring of global supply chains. Although inflationary pressures eased, economic stability remained fragile with diverging growth across countries. On China's side, the country withstood multiple external pressures and its economy continued to demonstrate remarkable resilience in the final year of the 14th Five-Year Plan. Supported by proactive and well-coordinated macroeconomic policies, China advanced high-quality development and achieved its major economic and social development targets. According to the National Bureau of Statistics of China, China's gross domestic product (GDP) grew by 5.0% in 2025, surpassing RMB140 trillion for the first time in history. Against the backdrop of a subdued global recovery, this underscored China's robust economic fundamentals and reaffirmed the sustained momentum of its high-quality growth trajectory.

During the year under review, the Chinese government vigorously promoted special actions to boost domestic consumption, deeply implemented the consumer goods "trade-in policy", and developed the "Shopping in China" brand strategy, which collectively unleashed consumption potential and supported steady market expansion. Total retail sales of consumer goods rose 3.7% year-on-year, with retail sales of goods up by 3.8%. Meanwhile, the consumer market continued to evolve towards a more diversified and consumer-centric model. While consumer confidence is still in a recovery phase, value-consciousness and emotional connection have become key factors influencing purchasing decisions, providing enterprises with strategic direction in product innovation and brand building.

In recent years, new consumption models such as e-commerce and livestream shopping have continued to fuel rapid online sales growth. Moreover, Chinese brands consumption, shifting from mere manufacturing to quality-driven production, has been on a continuous rise, excelling on e-commerce platforms and setting new consumer trends. In 2025, China's online retail sales reached RMB15.97 trillion, up by 8.6% year-on-year and outpacing overall retail growth by 4.9 percentage points. However, this expansion has been accompanied by intensifying "involution", price rivalry and market saturation. While traditional e-commerce platforms still dominate, content-driven commerce has emerged as the core engine of new growth. Driven by the dual forces of refined policy regulation and market innovation, e-commerce is entering a new stage of more disciplined, healthier and more sustainable development. Enhanced oversight and clearer rules have fostered greater platform compliance, though this may pose transitional challenges for some traditional players. Meanwhile, competition is increasingly centred on service quality, technological capability, and ecosystem building. The deepening integration of e-commerce with manufacturing, logistics, and content is fostering new consumption models and scenarios, guiding the industry from scale expansion toward quality enhancement, efficiency optimisation, and long-term value creation. As online marketing remains both a proven success and key future growth driver, the Group continued to strengthen its online strategy. Leveraging its leading brand position, the Group consistently invested across established and emerging platforms, while prudently advancing its offline franchise network and enhancing supply chain efficiency and brand building. This enabled the Group to maintain steady growth amid an increasingly competitive and diversified digital retail landscape.

The Group's Performance

During the year under review, the Group demonstrated resilient performance through steady, strategic growth across dual-brand development and diversified market positioning. The Group further elevated the "DAPHNE" brand's equity with targeted investment in design innovation, quality enhancement, and dynamic communication to reinforce market leadership. Simultaneously, the Group accelerated development of the "DAPHNE.LAB" brand, positioning it as a creative brand for younger audiences, thereby cultivating a more vibrant and forward-looking brand ecosystem. Guided by a multi-channel, experience-driven brand strategy, the Group integrated original aesthetics with cross-over collaborations, high-impact ambassadors, and emotionally resonant campaigns to enhance brand differentiation and cultural relevance. Powered by solid market momentum, the Group continued to expand its product universe – diversifying into new categories, other than women shoes, that inspire consumer excitement and broaden choice, thereby sharpening its core competitive advantages and injecting vitality to drive sustainable growth.

While macroeconomic data showed favourable performance, the domestic retail market's broader environment continues to present considerable challenges. E-commerce competition intensified dramatically while offline retail recovery lagged expectations, creating substantial operational headwinds. As resilience is the key to long-term success, the Group steadily optimised its balanced portfolio of brand licensing, wholesale and direct retail operations through enhanced licensing protocols, tighter distribution controls, and streamlined supply chains. Additionally, the Group pursued measured, systematic expansion across both online and offline networks, achieving continued online network growth and maintaining its offline network. This approach supported stable growth amid volatile retail dynamics, reinforcing the Group's leading position in the women's footwear industry.

While online retail continued to flourish in 2025, e-commerce platforms grappled with escalating price competition and rising return rates. Benefitting from superior product quality, strong brand equity, and leading market share, the Group's return rate remained below the industry averages. Building on its established leadership and resource capabilities, the Group actively communicated with e-commerce partners to refine sales strategies while implementing prudent management measures to address these challenges. Capitalising on China's e-commerce transformation, where consumers increasingly prioritise quality-value balance over pure price competition, driven by AI personalisation and emotional brand connections, the Group expanded its online licensing network and amplified precision marketing efforts across both traditional and emerging e-commerce platforms to enhance consumer engagement and drive targeted conversions. In addition, guided by management's strategic vision and strong market receptivity established in the past years, the Group consistently expanded product offerings into other product categories, such as handbags and children's shoes, to unlock new growth avenues and diversify revenue streams. These collective efforts sustained the healthy development of the brand licensing business.

By navigating complex market dynamics with strategic adaptability, the Group maintained steady momentum, progressing along a sustainable trajectory focusing on high-quality development and long-term value. For the year ended 31 December 2025, the Group's total revenue increased by 13% year-on-year to approximately RMB363.5 million (2024: RMB322.3 million), while operating profit rose 28% to approximately RMB123.8 million (2024: RMB96.6 million). This consistent upward trajectory underscores the Group's enduring and resilient operational strength and enhances its advantageous strategic layout for continuously leading trends and securing long-term leadership in the market.

For the year ended 31 December 2025, basic earnings per share was RMB0.059 (2024: RMB0.054). The board of directors of the Company recommended the payment of a final dividend of HK\$0.02 (2024: HK\$0.02) per share, totalling approximately RMB35.6 million (2024: RMB37.2 million).

Brand Licensing and Distribution Business

The year of 2025 marked another year of steady development for the Group's brand licensing and distribution business, continuing to serve as the Group's core growth engine. The "DAPHNE" brand, a well-established leader long synonymous with stylish and quality women's footwear in Chinese Mainland, advanced its transformation with renewed energy and sharper positioning. Underpinned by this progress, the Group remains steadfastly committed to advancing brand management as well as the licensing and distribution of products, primarily women's dress shoes and casual shoes, across online and offline channels, sustaining stable licensing revenue growth while solidifying "DAPHNE" leadership in the women's footwear market.

Keeping abreast of the evolving consumer landscape, the Group deepened its brand enhancement initiatives during the year to strengthen its brand image. In May 2025, “DAPHNE” stepped into a fresh narrative by unveiling Victoria Song, a renowned Chinese artist, as its new global brand spokesperson through the “Reborn In Time” campaign. Victoria Song’s effortless confidence and vibrant energy perfectly capture “DAPHNE” renewed spirit of graceful rebirth and bold reinvention, bringing the brand’s “Just Be Yourself” philosophy to life while injecting vitality and cultural relevance into the brand. Upon the official announcement of the brand spokesperson, the market reacted with immense enthusiasm. Brand exposure soared, and related topics quickly became viral sensations, with interaction levels far exceeding expectations. Additionally, “DAPHNE” launched a social media interview series titled “Let’s Take a Walk with Daphne”, inviting female guests from diverse fields to share their stories. By leveraging these powerful stories to inspire more people, the brand aims to fulfil its mission of “accompanying women to live with greater freedom and confidence”, thereby creating deeper emotional connections and value for the brand. In 2025, the Group invested substantial resources in promoting the “DAPHNE” brand, thus once again sparked extensive media coverage and significant public attention, achieving an all-round surge in brand influence. This strategic move not only strengthened loyalty among existing customers but also won the hearts of consumers seeking stylish design, superior comfort, and excellent value, positioning “DAPHNE” as a beloved brand among Chinese female consumers.

Through holistic brand rejuvenation spanning marketing strategies and product innovation, “DAPHNE” stayed true to its core value of originality by launching the “CloudSoft” collection during the year under review, delivering cloud-like comfort alongside contemporary style to address evolving consumer preferences. The collection garnered enthusiastic market response, particularly during the “Double 11” shopping festival, when Victoria Song spotlighted the “CloudSoft” collection alongside several key autumn and winter new items in a major livestream event, driving significant sales growth.

As e-commerce diversified and consumer traffic became increasingly segmented across platforms, the Group scaled its online licensing operations to tap fragmented digital growth. Through refined data analytics and multi-channel expansion, the Group achieved deeper and more precise customer reach. The Group sustained leading market share on established e-commerce platforms such as “Tmall”, “Douyin”, “VIP.com”, “Pinduoduo” and “JD.com”. To effectively connect with young consumers, the Group leveraged creative short-form videos and influencer collaborations across various content-driven platforms such as “Douyin”, “RedNote”, “DEWU.com” and “Kuaishou”, creating emotionally resonant digital engagement. With a strategy combining superior product quality, accessible pricing, and authentic brand storytelling, “DAPHNE” deepened consumer affinity and maintained its competitive edge in China’s increasingly dynamic retail landscape.

While consumer confidence was still in a recovery phase, coupled with tightened regulations and intensified “involution” in the e-commerce sector, many platforms faced mounting operational pressures. Meanwhile, rising return rates presented a significant challenge across the women’s footwear industry. Recognising that adaptability is essential, the Group responded proactively by leveraging its market leadership and robust licensing partnerships to collaborate closely with franchisees and adjust sales strategies to ease their operational challenges. Moreover, “DAPHNE” superior product quality and strong brand equity consistently delivered return rates of online sales lower than the industry averages. This competitive advantage, combined with targeted franchise support, enabled steady expansion of market reach and licensing fee income, ensuring resilient, sustainable growth even in a challenging environment.

To unlock incremental opportunities, the Group continued its foray into new categories, such as handbags and children’s shoes. Building on “DAPHNE” strong consumer equity, these categories delivered stellar sales performance and satisfactory growth in online sales outlets, setting the stage for further acceleration in future.

On the offline front, with tepid consumer confidence, the Group maintained a disciplined approach to network expansion, focusing on improving store quality and efficiency. As at 31 December 2025, there were 114 (As at 31 December 2024: 111) physical shops and 1,050 (As at 31 December 2024: 790) online shops, operated by our franchisees under the licensing arrangement of the Group.

Retail Business

In just over two years, the Group's trailblazing brand "DAPHNE.LAB" has emerged as a creative powerhouse, forging a bold identity through cutting-edge original design and innovative positioning. By emphasising core values of original design and superior cost-effectiveness, the brand continues to resonate with young consumers and attract widespread attention. Through collaborations with artists, designers and influencers, alongside experiential marketing campaigns, "DAPHNE.LAB" continuously redefines consumer experience in the women's footwear market. Thanks to its avant-garde design, it has swiftly become the style choice and a key trend indicator for acclaimed celebrities across China, Korea, Europe and North America and girl groups, demonstrating the effectiveness of its creative strategy. With steadily expanding sales and rising brand prestige, "DAPHNE.LAB" is evolving into a footwear label shaping modern style culture.

Building on this momentum, the Group strategically accelerated investment in product development and brand elevation to power "DAPHNE.LAB" market surge. Riding the wave of success from its previous cross-over collaborations, it partnered with a contemporary artist to unveil the "Lollipop 2.0" slippers in Summer 2025. Infusing a classic shoe silhouette with the brand's rebellious "Dare To Be" DNA, the collection sparked fresh consumer excitement and strong market acclaim. "DAPHNE.LAB" hosted a dance community event for International Women's Day in March 2025, tapping Generation Z dance enthusiasts to celebrate women's power while reinforcing the brand DNA for vibrant cultural buzz. In last July, the brand organised the "Dare To Be Wild" pop-up event at Chengdu's youth-centric lifestyle hub, leveraging random play dance and influencer activations, thereby swiftly generated viral buzz and impressive sales. Following its appearances at London and Paris Fashion Weeks, "DAPHNE.LAB" made its debut at Shanghai Fashion Week in 2025, unveiling its collaborative Autumn/Winter 2025 and Spring/Summer 2026 collections with designers. With its continued presence on prestigious fashion weeks, "DAPHNE.LAB" generated extensive domestic and international media coverage, firmly establishing the brand as a rising force in global fashion.

The pioneering style of "DAPHNE.LAB" has inspired a new generation to embrace its unique charm and has successfully penetrated the entertainment industry in China, Korea, Europe and North America. The Group expanded its artist networks to secure high-profile collaborations, placing the brand in the celebrity spotlight. By deepening its brand DNA, "DAPHNE.LAB" attracted attention from prominent domestic and international artists including K-pop girl group members, gradually becoming their top-choice footwear brand, significantly boosting international influence and brand prestige. In addition, the brand's ongoing influencer partnerships across social platforms generated compelling content that heightened customer engagement, accelerated sales and expanded market reach.

Capitalising on its growing popularity, "DAPHNE.LAB" achieved steady e-commerce growth, building a loyal customer base and strong market recognition that laid a solid foundation for scalable online expansion. Following the successful pop-up store in Chengdu in the first half of the last year, which delivered notable sales performance and valuable experiential insights in operating high-concept stores, the Group opened 2 new "DAPHNE.LAB" physical stores in Nanjing and Shanghai. Both are again strategically located in youth-centric trendy lifestyle hubs to reinforce brand resonance, optimise single-store efficiency and serve as platforms for engaging activations. In last November, the Group also opened its first directly-managed "DAPHNE" store in Shanghai, serving as both a consumer touchpoint and an image model to attract potential franchisees, paving the way for strategic offline expansion. As at 31 December 2025, the Group operated 4 directly-managed offline stores and 8 online shops under the brand of "DAPHNE.LAB" as well as one directly-managed offline store under the brand of "DAPHNE", driving synergistic growth through broader reach, deeper engagement and real-time insights into consumer trends.

To stay ahead of shifting consumer preferences, the Group leveraged technology to optimise its supply chain through digitised workflows and unified large-scale shipping processes. This enhanced efficiency, ensured consistent quality control and enabled the Group to nimbly scale operations to meet surging demand. These advancements have collectively strengthened market responsiveness and positioned the Group for sustained growth.

FINANCIAL REVIEW

Financial Highlights

	For the year ended 31 December		
	2025	2024	Change
Revenue (RMB' million)	363.5	322.3	+13%
Other income (RMB' million)	53.7	51.1	+5%
Operating profit (RMB' million)	123.8	96.6	+28%
Profit attributable to shareholders (RMB' million)	116.6	106.6	+9%
Operating margin (%)	34.1	30.0	+4.1 ppt
Net margin (%) (Note 1)	32.1	33.1	-1.0 ppt
Basic earnings per share (RMB)	0.059	0.054	+9%
Proposed dividend per share (HK\$)	0.02	0.02	-
	As at 31 December		
	2025	2024	Change
Cash and bank balances (RMB' million) (Note 2)	569.3	476.2	+20%
Equity attributable to shareholders (RMB' million)	834.8	758.5	+10%
Current ratio (times) (Note 3)	5.4	3.4	+59%
Net gearing ratio (%) (Note 4)	Net cash	Net cash	N/A

Notes:

1. The calculation of net margin (%) is based on profit attributable to shareholders divided by revenue for the year.
2. Cash and bank balances comprise cash and cash equivalents and time deposits with original maturities over three months.
3. The calculation of current ratio (times) is based on total current assets divided by total current liabilities as at year end.
4. The calculation of net gearing ratio (%) is based on net debt (being lease liabilities less cash and bank balances) divided by equity attributable to shareholders as at year end.

Revenue and Gross Profit

The Group's revenue mainly comprises licensing fee income and sales of goods in Chinese Mainland. For the year ended 31 December 2025, the Group's total revenue amounted to approximately RMB363.5 million (2024: RMB322.3 million), an increase of 13% compared to the year of 2024.

	For the year ended 31 December		Change
	2025 RMB'million	2024 RMB'million	
Licensing fee income	150.1	127.0	+18%
<i>Sales of goods - wholesale</i>	189.4	174.5	+9%
<i>Sales of goods - retail</i>	24.0	20.8	+15%
Total sales of goods	213.4	195.3	+9%
Cost of sales	(172.8)	(159.7)	+8%
Gross profit from sales of goods	40.6	35.6	+14%
<i>Gross margin from sales of goods</i>	19.0%	18.2%	+0.8 ppt
Total revenue	363.5	322.3	+13%
Total gross profit	190.7	162.6	+17%

Revenue from licensing fee income increased by 18% from approximately RMB127.0 million to approximately RMB150.1 million, mainly attributable to the increase in overall volume of footwear products and accessories licensed to the online franchisees compared to the year of 2024.

The Group also engages in the distribution of footwear products and accessories for better quality control and supply chain management to both online and offline franchisees. For the year ended 31 December 2025, revenue from wholesale of goods amounted to approximately RMB189.4 million (2024: RMB174.5 million), representing an increase of 9% compared to last year, primarily due to the increase in sales volume of products to our franchisees.

During the year under review, the Group's revenue from retail business, primarily for the online and offline shops of "DAPHNE.LAB" and "DAPHNE" brands, was approximately RMB24.0 million (2024: RMB20.8 million), representing an increase of 15% compared to last year. Such increase in revenue was mainly due to the addition of both online and offline shops during the year.

The Group's revenue from total sales of goods increased by 9% to approximately RMB213.4 million during the year under review compared to approximately RMB195.3 million for the year of 2024. Gross margin from sales of goods also improved to 19.0% from 18.2% for the year of 2024. Better gross margin from sales of goods was mainly attributable to the higher margin of retail sales.

Other Income

For the year ended 31 December 2025, the Group's other income was approximately RMB53.7 million (2024: RMB51.1 million), mainly comprising gross rental income of approximately RMB41.8 million (2024: RMB39.9 million) from investment properties and interest income of approximately RMB10.1 million (2024: RMB8.8 million).

Operating Expenses

The Group's operating expenses (including other (losses)/gains – net, selling and distribution expenses, general and administrative expenses, and reversal of impairment loss on financial assets) were approximately RMB120.6 million during the year under review, compared to the operating expenses of approximately RMB117.1 million in 2024. The overall increase in operating expenses was mainly due to the increase in employee benefits expense and marketing and promotion expense.

Operating Profit

The Group recorded an operating profit of approximately RMB123.8 million for the year ended 31 December 2025, an increase of approximately RMB27.2 million or 28% compared to the operating profit of approximately RMB96.6 million in 2024.

Finance Costs

Finance costs represent interest on lease liabilities amounting to approximately RMB0.2 million (2024: RMB0.4 million).

Income Tax (Expense)/Credit

For the year ended 31 December 2025, the Group's income tax expense was approximately RMB6.8 million, compared to income tax credit of approximately RMB9.7 million last year. The increase was mainly due to China withholding tax on profit distribution of approximately RMB5.0 million, over-provision of income tax of approximately RMB8.8 million in prior years, and the deferred income tax expense of approximately RMB9.3 million related to the utilisation of tax losses and recognition of other temporary differences of deferred income tax liabilities compared to the deferred income tax credit of approximately RMB11.1 million in 2024.

Profit Attributable to Shareholders of the Company

For the year ended 31 December 2025, profit attributable to shareholders of the Company was approximately RMB116.6 million (2024: RMB106.6 million), representing an increase of approximately RMB10.0 million or 9% compared to the year of 2024. Basic earnings per share was RMB0.059 (2024: RMB0.054) for the year ended 31 December 2025.

Liquidity and Financial Resources and Capital Structure

As at 31 December 2025, the Group's cash and bank balances amounted to approximately RMB569.3 million (2024: RMB476.2 million). These comprise time deposits with original maturities over three months of approximately RMB83.4 million (2024: Nil) and cash and cash equivalents of approximately RMB485.9 million (2024: RMB476.2 million), which were denominated mainly in Renminbi, Hong Kong Dollars and United States Dollars. During the year under review, the net increase in cash and cash equivalents is analysed as follows:

	For the year ended 31 December	
	2025	2024
	RMB'million	RMB'million
Net cash inflow from operating activities	110.1	135.1
Capital expenditure	(2.9)	(2.5)
Placement of time deposits with original maturities over three months	(152.1)	-
Redemption of time deposits with original maturities over three months	69.8	-
Payments for purchases of financial investments	-	(20.0)
Proceeds from redemption of financial investments	20.2	11.1
Bank interest received	9.1	8.8
Dividend paid to shareholders of the Company	(36.4)	(17.9)
Lease payments	(3.9)	(5.9)
Net increase in cash and cash equivalents	13.9	108.7

For the year ended 31 December 2025, the Group had received bank interest of approximately RMB9.1 million (2024: RMB8.8 million). The Group had placed time deposits with original maturities over three months amounting to approximately RMB152.1 million (2024: Nil) during the year under review. As at 31 December 2025, the carrying amounts of the time deposits with original maturities over three months were approximately RMB83.4 million (2024: Nil).

The Group also purchases financial investments, comprising wealth management products and certificates of deposits, which are classified as financial assets at fair value through profit or loss or at amortised cost.

The purchases of financial investments are carried out by the Group for treasury management purpose in order to maximise the utilisation of surplus cash. The Group considers that the purchases of the financial investments will provide the Group with better returns than the returns on deposits generally offered by commercial banks, and would not affect the working capital or the normal business operation of the Group. As such, management is of the view that the purchases of the financial investments are fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole.

During the year under review, the fair value gains on financial assets at fair value through profit or loss was approximately RMB0.5 million (2024: RMB0.3 million) and the Group redeemed certificates of deposit amounting to approximately RMB20.2 million upon their maturity in December 2025. The Group did not purchase any certificates of deposit during the year (2024: RMB20.0 million).

As at 31 December 2025, the Group had certificates of deposit with carrying amount of approximately RMB10.8 million (2024: RMB30.5 million), bearing a fixed interest rate of 3.00% per annum and having maturities of 36 months from June 2023 to June 2026.

As at 31 December 2025, the Group's equity attributable to shareholders amounted to approximately RMB834.8 million (2024: RMB758.5 million). The Group's net gearing ratio remained in net cash (2024: net cash) position and the current ratio further improved to 5.4 times (2024: 3.4 times). Management will continuously monitor the Group's financial performance and liquidity position and believes that the Group has sufficient working capital and financial resources for its operation in future.

Foreign Exchange Risk Management

Foreign exchange risk arises from commercial transactions and recognised assets and liabilities denominated in currencies other than the functional currency of the Group's entities to which they operate. The Group is mainly exposed to foreign exchange risk with respect to Hong Kong Dollars and United States Dollars.

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and the Group may use forward foreign exchange contracts when major fluctuation in the relevant foreign currency is anticipated. During the year ended 31 December 2025, the Group did not enter into any foreign exchange forward contract to hedge the foreign exchange risk exposure. Any significant exchange rate fluctuations of foreign currencies against Renminbi may have had financial impact on the Group.

Significant Investments

As at 31 December 2025 and 2024, the Group did not have any significant investments.

Future Plans for Material Investments and Capital Assets

As at 31 December 2025 and 2024, the Group did not have any future plans for material investments or capital assets.

Pledge of Assets

As at 31 December 2025 and 2024, the Group had no pledged or charged assets.

Capital Expenditure and Commitments

During the year under review, the Group incurred capital expenditure of approximately RMB2.9 million (2024: RMB2.5 million) primarily for leasehold improvement and office equipment. As at 31 December 2025 and 2024, the Group did not have material capital commitments.

Contingent Liabilities

As at 31 December 2025 and 2024, the Group did not have any significant contingent liabilities.

Human Resources

The Group values its human resources and recognises the importance of retaining high calibre employees. Remuneration packages are generally structured with reference to market conditions and terms as well as individual qualifications. In addition, share options and discretionary performance bonuses are granted to eligible employees based on the performance of the Group and of the individual employees. The Group also provides various retirement plans, medical insurance schemes, staff purchase discounts and training programmes to employees in Chinese Mainland and Hong Kong.

As at 31 December 2025, the Group had a total of 123 (2024: 109) employees predominantly in Chinese Mainland and Hong Kong. Employee benefits expense comprising directors' emoluments for the year ended 31 December 2025 was approximately RMB49.4 million (2024: RMB46.5 million), in which no share-based payment expense was incurred (2024: RMB0.6 million). The overall increase of 6% year-on-year in employee benefits expense was mainly due to the increase in headcounts and discretionary performance bonus.

OUTLOOK

Looking ahead to 2026, the global economy is expected to remain on a modest growth path, hampered by lingering U.S. tariff measures, heightened geopolitical tensions, and rising sovereign debt risks etc. The external environment remains challenging. As 2026 marks the start of China's 15th Five-Year Plan, the government has outlined plans to introduce more proactive macroeconomic policies to bolster growth. Despite external headwinds, China's long-term economic fundamentals remain inherently sound, underpinned by its vast market scale, robust resilience, and immense potential, which collectively continue to serve as powerful drivers for sustained growth. Navigating a persistently complex and dynamic retail landscape, the retail market is poised for stable expansion as consumption-boosting policies take effect and consumer confidence gradually rebounds. The Group maintains a positive long-term view of China's consumer market.

Facing an evolving landscape, the Group will adopt a prudent yet proactive approach, staying attuned to policy and market trends while adhering to its long-term strategy. Building on a foundation of steady progress, the Group will intensify efforts to bolster its wholesale and direct retail operations, while steadily advancing its brand licensing business to fuel sustainable growth. To strengthen its core capabilities, the Group will comprehensively enhance its entire value chain, from product quality, design innovation, category expansion to marketing, supply chain optimisation, and franchise ecosystem development, building greater brand resilience and unlocking market potential.

As consumers today are increasingly mindful about spending, the "DAPHNE" brand, renowned for its quality products at accessible prices, continues to benefit from its strong value proposition. Leveraging deep consumer insights, the Group will continue to closely align with market trends and strategically allocate resources to secure market leadership. Encouraged by positive market reception, the Group will increase promotion in the "CloudSoft" collection to strengthen its appeal across key segments. The Group will continue to expand its offerings in handbags and children's shoes while exploring new product categories to build a more diversified portfolio. Moreover, it will keep leveraging brand ambassadors and designer collaborations to enhance brand visibility and reach. On the operational front, the Group will deepen its digital transformation and franchisee support by fully integrating franchisees into its business intelligence system to optimise supply chain management, from order placement, production, and warehousing to the retail terminals. By leveraging this digital integration, coupled with market insights, the Group will continue to finetune its operating framework to empower franchisees with stronger cost competitiveness offline, driving enhanced store performance and network growth in future. It will also assist franchisees in strengthening online initiatives to bolster various brands' market presence and competitiveness and maintain healthy growth.

For the "DAPHNE.LAB" brand, the Group is committed to driving meaningful growth by consistently developing fashionable, high-quality footwear with unique design and compelling value while exploring additional collaboration opportunities for ongoing innovation. Building on its avant-garde positioning, the Group will engage young consumers through targeted collaborations and activities linked to the brand DNA and related cultural communities. The Group will also amplify "DAPHNE.LAB" creative vanguard DNA through innovative campaigns and experiential pop-up events to ignite online-offline buzz and strengthen brand influence. Complementing this, the Group will consistently invest in celebrity and influencer marketing, leveraging celebrity reach and influencer authenticity with in-store experiences and creative content output to boost brand awareness and customer engagement.

In channel development, the Group will navigate online and offline channels with prudence and agility. Online, it will continue investing in e-commerce to capture sustained growth and expand into niche segments, while carefully managing intensifying competition, rising return rates, and evolving regulatory oversight. Although the e-commerce market may face more challenges and adjustments in the short-term, these changes will help the industry establish a healthier and more sustainable long-term development environment. The Group will deploy targeted measures including enhanced franchisee support to mitigate near-term impacts. Offline, anticipating economic recovery and favourable consumption policies to revive retail momentum, the Group aims for steady development with a conservative short-term stance. This includes dynamically optimising the franchise network based on macroeconomic conditions, retail trends, and store performance. Given the encouraging single-store efficiency in Chengdu, the Group plans to replicate this success by opening “DAPHNE.LAB” stores in high-potential “new first-tier cities” at appropriate time. By combining its core strengths alongside franchisee partnerships, the Group is poised to build brand confidence and secure a stronger market foothold.

In a consumer market full of challenges and changes, the Group draws on its deep industry expertise and brand equity to continuously refine its strategies and adapt with agility, demonstrating steadfast leadership. Grounded in a robust foundation and driven by relentless innovation, the Group is well-positioned to excel amid intense competition, sustain industry leadership, and spearhead the next wave of consumption.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s shares (including sale of treasury shares) during the year ended 31 December 2025. As at 31 December 2025, the Company did not have any treasury shares.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

The Group did not have any material acquisition or disposal of subsidiaries, associates or joint ventures for the year ended 31 December 2025.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for dealing in securities of the Company by its directors. Having made specific enquiry with all directors of the Company, all directors have confirmed that they have complied with the requirements set out in the Model Code throughout the year ended 31 December 2025.

The Company also requires relevant officers and employees of the Group who, because of such office or employment, are likely to possess inside information in relation to the Company or its securities, be also bound by the Model Code, which prohibits them to deal in securities of the Company at any time when he/she possesses inside information in relation to those securities. No incident of non-compliance with the Model Code by the relevant officers and employees was noted by the Company for the year ended 31 December 2025.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has applied the principles set out in the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 to the Listing Rules. Throughout the year ended 31 December 2025, the Company has complied with all the applicable code provisions set out in the CG Code.

The Board will continue to enhance its corporate governance practices appropriate to the operation and growth of its business and to review such practices from time to time to ensure that the Company complies with statutory and professional standards and aligns with the latest development.

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed in this announcement, the directors of the Company are not aware of any significant event which had material effect on the Group subsequent to 31 December 2025 and up to the date of this announcement.

REVIEW OF FINANCIAL STATEMENTS

The Group's audited consolidated financial statements for the year ended 31 December 2025 including the accounting principles and practices adopted have been reviewed by the audit committee of the Board (the "Audit Committee"). Based on such review, the Audit Committee was of the opinion that these consolidated financial statements were prepared in accordance with applicable accounting standards. The Audit Committee does not have any disagreement with the accounting treatment adopted by the Company.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2025. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on this announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and to the knowledge of the directors of the Company throughout the year ended 31 December 2025 and up to the date of this announcement, the Company has maintained the prescribed public float of at least 25% of the Company's total issued shares (excluding any treasury shares) as required by the Listing Rules.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTERS OF MEMBERS

It is proposed that the forthcoming annual general meeting of the Company will be held on 21 May 2026. A notice of the forthcoming annual general meeting will be issued and disseminated to the shareholders of the Company in due course. In order to qualify for attending and voting at the forthcoming annual general meeting, the register of members of the Company will be closed from Monday, 18 May 2026 to Thursday, 21 May 2026 (both days inclusive). All transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 15 May 2026. The record date for the said annual general meeting is Thursday, 21 May 2026.

PROPOSED FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has recommended the payment of a final dividend of HK\$0.02 per share in respect of the year ended 31 December 2025. The proposed final dividend is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting.

In order to qualify for the proposed final dividend, the register of members of the Company will be closed from Wednesday, 10 June 2026 to Friday, 12 June 2026 (both days inclusive). All transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 9 June 2026. The proposed final dividend will be paid to the shareholders on or before Thursday, 25 June 2026 whose names appear on the register of members at the close of business on Friday, 12 June 2026. The record date for determining shareholders' entitlement to the proposed final dividend will be Friday, 12 June 2026.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the HKEXnews (www.hkexnews.hk) and the Company (www.daphneholdings.com). The Annual Report 2025 containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and available on the same websites in due course.

By Order of the Board
Daphne International Holdings Limited
Chang Chih-Kai
Chairman

Hong Kong, 24 March 2026

As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely Mr. Chang Chih-Kai, Mr. Chang Chih-Chiao and Ms. Chang Wan-Hsun; one non-executive director, namely Mr. Wang Jungang and three independent non-executive directors, namely Mr. Hon Ping Cho Terence, Mr. Tan Philip and Ms. Hsu Wen-Kuan.