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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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Daphne International Holdings Limited (the “**Company**”) will be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong at 3:00 p.m. on Thursday, 23 May 2019 to consider and, if thought fit, transact the following business:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and the auditor for the year ended 31 December 2018;
2. To re-elect Mr. Huang Shun-Tsai as an independent non-executive director;
3. To re-elect Mr. Kuo Jung-Cheng as an independent non-executive director;
4. To authorise the board of directors to fix the directors’ remuneration;
5. To re-appoint PricewaterhouseCoopers as the Company’s auditor and authorise the board of directors to fix their remuneration;

and, as additional ordinary business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modification):

6. “**THAT:**
 - (a) subject to paragraph 6(c) below, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company with a par value of HK\$0.10 each on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures

* *for identification purpose only*

Commission of Hong Kong (the “SFC”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the SFC, the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph 6(a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its own shares at a price to be determined by the Directors;
- (c) the aggregate number of shares of the Company to be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph 6(a) above shall not exceed 10% of the total number of the issued shares of the Company at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution,

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in general meeting.”

7. **“THAT:**

- (a) subject to paragraph 7(c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with the unissued shares of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph 7(a) above, shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the expiry of the Relevant Period;
- (c) the aggregate number of shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval granted in paragraph 7(a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) any scrip dividend or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company; or (iii) the exercise of any options granted under the share option scheme or similar arrangement for the time being adopted or to be adopted for the grant or issue of shares or rights to acquire shares of the Company approved by the Stock Exchange; or (iv) any issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares, shall not exceed 20% of the total number of the issued shares of the Company at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution,

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to the holders of shares of the Company on the register of members on a fixed record date in proportion to their then holding of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regarded to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

8. “**THAT** conditional upon the passing of resolution Nos. 6 and 7 above, the general mandate granted to the Directors pursuant to resolution No. 7 above be and hereby extended by adding thereto of the aggregate number of the shares as stated in resolution No. 6 above provided that such amount shall not exceed 10% of the total number of the issued shares of the Company at the date of passing this resolution.”

SPECIAL RESOLUTION

9. “**THAT** the proposed adoption of the New Article of Association of the Company as set out in Appendix IV to the circular of the Company dated 16 April 2019 in substitution for and to the exclusion of the existing Articles of Association of the Company with immediate effect after the close of this meeting be and is hereby approved and that the directors of the Company be and are hereby authorised to do all things necessary to implement the adoption of the Second Amended and Restated Articles of Association of the Company.”

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

Hong Kong, 16 April 2019

Notes:

- 1. Any shareholders of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two proxies (who must be an individual) to attend and on a poll, vote instead of him/her. A proxy need not be a shareholder of the Company.*
- 2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be lodged with the Company's share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude a shareholder from attending and voting in person at the meeting. In such event, the form of proxy will be deemed to be revoked.*

3. *The register of members of the Company will be closed from Monday, 20 May 2019 to Thursday, 23 May 2019, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify to attend and vote at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong no later than 4:30 p.m. on Friday, 17 May 2019.*
4. *Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members in respect of the relevant joint holding.*
5. *In the event that a typhoon signal no. 8 or above is hoisted or a black rainstorm warning signal is in force on the day of the meeting, shareholders are suggested to contact the Company's share registrar in Hong Kong by telephone at (852) 2980 1333 for arrangement of the meeting.*

As at the date of this notice, the board of directors of the Company comprises three Executive Directors, namely Mr. Chang Chih-Kai, Mr. Chang Chih-Chiao and Mr. Chen Tommy Yi-Hsun; and three Independent Non-executive Directors, namely Mr. Huang Shun-Tsai, Mr. Kuo Jung-Cheng and Mr. Lee Ted Tak Tai.