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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Daisho Microline Holdings Limited** (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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DAISHO MICROLINE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0567)

**PROPOSALS FOR
GRANTING OF GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING FOR 2021**

A notice convening an annual general meeting for 2021 of Daisho Microline Holdings Limited to be held at Room 201, 2/F, Duke of Windsor Social Service Building, No. 15 Hennessy Road, Wanchai, Hong Kong on Friday, 24 September 2021 at 11:30 a.m. is set out on pages 19 to 23 of this circular. Whether or not you are able to attend the annual general meeting for 2021, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the annual general meeting for 2021 or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting for 2021 or any adjournment thereof, should you so wish.

This circular together with the form of proxy are also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.irasia.com/listco/hk/daisho).

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“2021 AGM”	the annual general meeting for 2021 of the Company to be held at Room 201, 2/F, Duke of Windsor Social Service Building, No. 15 Hennessy Road, Wanchai, Hong Kong, on Friday, 24 September 2021 at 11:30 a.m., notice of which is set out on pages 19 to 23 of this circular, or any adjournment thereof
“Board”	the board of Directors of the Company
“Bye-Law(s)”	bye-law(s) of the Company currently in force
“Company”	Daisho Microline Holdings Limited, a limited liability company incorporated in Bermuda, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 0567)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Issue Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of 2021 AGM
“Latest Practicable Date”	15 July 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of 2021 AGM

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
“%”	per cent.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing novel coronavirus (“COVID-19”) pandemic, the Company will implement the following precautionary measures at the 2021 AGM to ensure the health and safety of the Shareholders and other participants who will attend the 2021 AGM:

- (i) compulsory body temperature check will be conducted for every attendee at the entrance of the venue. Any person with a body temperature of over 37.3 degree Celsius will not be admitted to the venue;
- (ii) each attendee is required to wear a surgical mask at any time within the venue. Please note that no surgical mask will be provided at the Venue and attendees should bring and wear their own masks;
- (iii) seats at the venue will be arranged in such a manner so as to allow appropriate social distancing. As a result, there will be limited capacity for Shareholders. The Company may limit the number of attendees at the 2021 AGM as may be necessary to avoid overcrowding;
- (iv) any person who (a) has travelled outside Hong Kong within 14 days immediately before the 2021 AGM (“Recent Travel History”); (b) is subject to quarantine or self-quarantine in relation to COVID-19; or (c) has close contact with any person under quarantine or with Recent Travel History shall not attend the 2021 AGM;
- (v) any attendee who does not comply with the abovementioned measures will not be admitted to the venue; and
- (vi) no refreshments, corporate gifts or souvenirs will be served or distributed at the 2021 AGM.

The Company reminds the attendees that they should carefully consider the risks of attending the 2021 AGM, taking into account their own personal circumstances. Furthermore, the Company would like to remind Shareholders that physical attendance in person at the 2021 AGM is not necessary for the purpose of exercising their voting rights and strongly recommends that Shareholders appoint the chairman of the 2021 AGM as their proxy and submit their form of proxy as early as possible. The form of proxy can be downloaded from the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.irasia.com/listco/hk/daisho). In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the 2021 AGM, or any adjourned meeting thereof.

Subject to the development of the COVID-19 situation, the Company may implement further precautionary measures in respect of the 2021 AGM, and may issue further announcement(s) on such measures as and when appropriate. Shareholders are advised to check the Company’s website for further announcements and updates on the meeting arrangements that may be issued.

LETTER FROM THE BOARD



DAISHO MICROLINE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0567)

Executive Directors:

Lee Man Kwong (*Chairman*)

Wong Siu Hung, Patrick

Non-executive Director:

Yau Pak Yue

Independent non-executive Directors:

Leung King Fai

Chan Yau Ching, Bob

Leung Hoi Ming

Registered Office:

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM10

Bermuda

Head Office and Principal

Place of Business:

Unit A, 10/F.

Fook Hing Industrial Building

33 Lee Chung Street

Chai Wan, Hong Kong

26 July 2021

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GRANTING OF GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING FOR 2021**

INTRODUCTION

The purpose of this circular is to provide you with the information regarding certain resolutions to be proposed at the 2021 AGM including (i) the granting of general mandates to the Directors to issue Shares and to repurchase Shares; and (ii) the re-election of Directors; and to provide you with the notice of the 2021 AGM.

LETTER FROM THE BOARD

PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 28 August 2020, ordinary resolutions were passed by the Shareholders to grant general mandates to the Directors to issue and repurchase Shares respectively. Such mandates will lapse at the conclusion of the 2021 AGM. In order to give the Company the flexibility to issue and repurchase Shares if and when appropriate, the following ordinary resolutions will be proposed at the 2021 AGM to approve:

1. the granting of the Issue Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of 2021 AGM (i.e. a total of 161,328,757 Shares on the basis that no further Shares are issued or repurchased before the 2021 AGM);
2. the granting of the Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of 2021 AGM (i.e. a total of 80,664,378 Shares on the basis that no further Shares are issued or repurchased before the 2021 AGM); and
3. extension of the Issue Mandate by adding the aggregate number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

An explanatory statement as required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on the proposed resolution for the granting of the Repurchase Mandate is set out in Appendix I to this circular.

PROPOSED RE-ELECTION OF DIRECTORS

Mr. Wong Siu Hung, Patrick and Mr. Yau Pak Yue, appointed as executive Director and non-executive Director respectively on 3 September 2020, and Dr. Leung Hoi Ming appointed as an independent non-executive Director on 30 April 2021, all of them will retire at the 2021 AGM pursuant to Bye-Law 102 of the Bye-Laws. All of the above Directors, being eligible, will offer themselves for re-election at the 2021 AGM.

Dr. Chan Yau Ching, Bob, will retire by rotation and, being eligible, will offer himself for re-election at the 2021 AGM pursuant to Bye-Law 99 of the Bye-laws.

Mr. Leung King Fai, Dr. Chan Yau Ching, Bob and Dr. Leung Hoi Ming, independent non-executive Directors of the Company, have confirmed their independence with reference to the factors set out in Rule 3.13 of the Listing Rules.

LETTER FROM THE BOARD

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors including the aforesaid independent non-executive Director who are due to retire at the 2021 AGM. The Company considers that the retiring independent non-executive Directors are independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

The biographical details of the above Directors proposed for re-election at the 2021 AGM are set out in Appendix II to this circular.

2021 AGM AND PROXY ARRANGEMENT

The notice convening the 2021 AGM to be held at Room 201, 2/F, Duke of Windsor Social Service Building, No. 15 Hennessy Road, Wanchai, Hong Kong, on Friday, 24 September 2021 at 11:30 a.m. is set out on pages 19 to 23 of this circular.

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, each of the resolutions proposed at the 2021 AGM shall be voted by way of a poll.

An announcement on the poll results will be published by the Company after the 2021 AGM in the manner prescribed under the Listing Rules.

A form of proxy for use at the 2021 AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.irasia.com/listco/hk/daisho). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the 2021 AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the 2021 AGM if you so wish.

TYPHOON OR BLACK RAINSTORM WARNING ARRANGEMENTS

If typhoon signal No. 8 or above, or a black rainstorm warning is in effect at 8:00 a.m. on the date of the 2021 AGM, the meeting will be postponed to a later date. The Company will as soon as practicable post an announcement on its website (www.irasia.com/listco/hk/daisho) and the website of the Stock Exchange (www.hkexnews.hk) to notify Shareholders of the date, time and place of the rescheduled meeting.

LETTER FROM THE BOARD

RECOMMENDATION

There is no Shareholder who is required to abstain from voting in respect of any of the resolutions set out in the notice of 2021 AGM.

The Board is of the opinion that the proposed granting of the general mandates to the Directors to issue Shares and to repurchase Shares and the re-election of Directors are in the best interests of the Company and the Shareholders as a whole and therefore recommends the Shareholders to vote in favour of all the resolutions to be proposed at the 2021 AGM.

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Lee Man Kwong
Chairman

APPENDIX I EXPLANATORY STATEMENT FOR REPURCHASE MANDATE

The following serves as an explanatory statement in compliance with the Listing Rules to give requisite information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$80,664,378.5 comprising 806,643,785 Shares.

Subject to the passing of the relevant ordinary resolution to approve the granting of the Repurchase Mandate (as set out in item 6 of the notice of the 2021 AGM) and on the basis that no further Shares are issued or repurchased prior to the 2021 AGM, exercise in full of the Repurchase Mandate would result in the repurchase by the Company up to a maximum of 80,664,378 Shares, representing 10% of the total number of issued Shares as at the date of the 2021 AGM during the period in which the Repurchase Mandate remains in force.

2. REASONS FOR REPURCHASES

The Directors have no present intention to repurchase any Shares but consider that the granting of the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the financial position of the Company as at 31 March 2021 (being the date to which the latest audited financial statements of the Company were made up) in the event that the Repurchase Mandate is to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds which are legally available for such purpose in accordance with its Memorandum of Association and New Bye-Laws, the laws of Bermuda and/or any other applicable laws, as the case may be.

APPENDIX I EXPLANATORY STATEMENT FOR REPURCHASE MANDATE

5. MARKET PRICES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during each of the previous twelve months were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2020		
July	0.198	0.153
August	0.201	0.180
September	0.200	0.165
October	0.198	0.150
November	0.170	0.150
December	0.196	0.108
2021		
January	0.122	0.101
February	0.233	0.120
March	0.216	0.153
April	0.199	0.155
May	0.198	0.132
June	0.183	0.152
July (up to the Latest Practicable Date)	0.175	0.158

6. GENERAL

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by Shareholders.

No core connected person, as defined in the Listing Rules, has notified the Company that he/she has a present intention to sell any Shares to the Company, nor has he/she undertaken not to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by Shareholders.

7. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, all applicable laws of Bermuda and Memorandum of Association and New Bye-Laws of the Company.

8. EFFECT OF TAKEOVERS CODE

If, as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge of the Company, each of Mr. Cheung Ling Mun and Mr. Chu Yuet Wah were beneficially interested in 120,068,000 Shares representing approximately 14.88% of the total issued share capital of the Company. In the event that the Directors exercise the proposed Repurchase Mandate in full, the interest of each of Mr. Cheung Ling Mun and Mr. Chu Yuet Wah in the Company would be increased to approximately 16.54% of the issued share capital of the Company. The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not propose or intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, result in the aggregate number of Shares held by the public falling below the prescribed minimum percentage required by the Stock Exchange.

9. SHARES REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) during the previous six months preceding the Latest Practicable Date.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the 2021 AGM:

- (1) **Wong Siu Hung, Patrick**, aged 65, has been appointed as an executive Director since 3 September 2020. He is the chief operating officer of the Company since October 2019. He is in charge of the overall development of business of the group and in particular the trading of petroleum products business and vessel chartering business. Mr. Wong has over 40 years of working experience in banking, finance, commodity trading and project development.

Mr. Wong is currently a non-executive director and authorized representative of Huscoke Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 704), an independent non-executive director of Crown International Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 727), an executive director of FDG Kinetic Limited, a company listed on the Main Board of the Stock Exchange (stock code: 378). He was an executive director of Huscoke Holdings Limited between 2016 and 2018. Mr. Wong was an executive director of Winto Group (Holdings) Limited, a company listed on the GEM of the Stock Exchange (stock code: 8238) between April 2019 and November 2019 and Titan Petrochemicals Holdings Limited (“Titan Petrochemicals”), a company listed on the Main Board of the Stock Exchange (stock code: 1192) between 2008 and 2015.

Mr. Wong was the senior vice president of Commodity and Trade Finance at Societe Generale Singapore and the chief executive officer in the China Division of Louis Dreyfus Group, a global commodity trading firm.

Mr. Wong is an associate member of The Chartered Institute of Bankers, United Kingdom (now renamed to London Institute of Banking & Finance), fellow member of the Hong Kong Institute of Directors since 1 April 2017 and member of The Institute of Management Consultants Hong Kong since 1 August of the same year and qualified as Certified Management Consultant. Mr. Wong holds a Master’s degree in Applied Finance from Macquarie University, Australia and completed the Executive Diploma in Management Consulting from The Hong Kong Polytechnic University on 12 October 2017.

The Listing Committee of the Stock Exchange (the “Listing Committee”) censured Mr. Wong, who was then an executive director of Titan Petrochemicals, for breaches of his obligations to use his best endeavours to procure Titan Petrochemicals’s compliance with Rules 13.09 and 14.36 of the Listing Rules on 26 May 2014 (the “Censure”). The Listing Committee directed Mr. Wong to attend 24 hours of training on Listing Rule compliance, director’s duties and corporate governance matters together with 4 hours on the Rule 13.09 compliance and inside information disclosure (under the Securities and Futures Ordinance) effective 1 January 2013 provided by the Hong Kong Institute of Chartered Secretaries, the Hong Kong Institute of Directors or other course providers approved by the Listing Division (altogether 28 hours, the “Training”). Mr. Wong completed the Training on 9 July 2014 in accordance with the above direction. For details of the Censure, please refer to the regulatory announcement of the Stock Exchange dated 26 May 2014 (the “Regulatory Announcement”).

The nomination committee of the Company (the “Nomination Committee”) and the Board have reviewed and assessed the Censure and consider that notwithstanding the Censure, Mr. Wong is still suitable to act as a Director under Rules 3.08 and 3.09 of the Listing Rules, for the reasons set out below.

- (1) Mr. Wong has extensive experience in banking, finance, commodity trading and project development. The Board considers that Mr. Wong would be a valuable addition to the Board and his experience can bring valuable insight and contribution to the Company and/or the Group;
- (2) each of the Nomination Committee and the Board has reviewed the Regulatory Announcement. Based on the information contained in the Regulatory Announcement, there is nothing which implicates that the incident (the “Incident”) which led to the Censure involved any dishonest or fraudulent conduct of Mr. Wong, nor any integrity issue of Mr. Wong;
- (3) the Incident occurred more than five (5) years ago. As at the date of this circular, Mr. Wong does not hold any position at Titan Petrochemicals;
- (4) Mr. Wong has been acting as director of public companies for over 10 years, the Censure was the first time Mr. Wong was being found in breach of the Listing Rules. He has no previous record of other breaches of the Listing Rules; and

- (5) Mr. Wong has undergone and completed the Training on, among others, Listing Rules compliance, director's duties and corporate governance matters in accordance with the direction of the Listing Committee as disclosed in the announcement of Titan Petrochemicals dated 23 July 2014. Mr. Wong further confirmed that he has completed the required Training and is equipped with an enhanced and refreshed knowledge on the Listing Rules.

On the above basis, each of the Nomination Committee and the Board are of the view that notwithstanding the Censure, Mr. Wong has the character, experience and integrity and is able to demonstrate a standard of competence and meet the required levels of skill, care and diligence to discharge his fiduciary duties as Director as required under Rules 3.08 and 3.09 of the Listing Rules.

Mr. Wong has entered into a service contract with the Company for a term of three years commencing on 3 September 2020, unless terminated in accordance with the terms as stipulated therein. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. Mr. Wong will be entitled to a director's salary of HK\$50,000 per month, which was determined by the Board with reference to his duties and responsibilities within the Group.

As at the Latest Practicable Date, Mr. Wong was not interested or deemed to be interested in the Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wong (i) has not held any other positions in the Company or other members of the Group; (ii) is not related to any director, senior management, substantial shareholder or controlling shareholder of the Company; and (iii) has not held any other directorships in any other listed public companies in the last three years.

Save as disclosed above, there is no other matter concerning Mr. Wong that needs to be brought to the attention of the Shareholders nor is Mr. Wong involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules.

- (2) **Yau Pak Yue**, aged 52, has been appointed as a non-executive Director and a member of the Audit Committee of the Company since 3 September 2020. He obtained his Bachelor of Commerce (majoring in Accountancy) from the University of Wollongong in Australia. He was the chief knowledge officer of Guangzhou Chengfa Capital Company Limited, a state-owned fund management company, from May 2015 to January 2017. Prior to that, he was the chief executive officer of Taiyang International Cold Chain (Group) Limited from March 2014 to July 2014, and a partner at one of the big four international accounting firms from 2005 to 2012. He has over 25 years of experience in mergers and acquisitions transaction supports and financial due diligence. Mr. Yau is currently the Director of Ewin Advisory Company Limited.

Mr. Yau is also a certified public accountant in Hong Kong and a certified practising accountant in Australia. Mr. Yau currently serves as an executive director of Freeman FinTech Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 279), an independent non-executive director of Fullsun International Holdings Group Co., Limited, a company listed on the Main Board of the Stock Exchange (stock code: 627), an independent non-executive director of Hifood Group Holdings Co. Limited, a company listed on the Main Board of the Stock Exchange (stock code: 442) and an independent non-executive director of Xinhua News Media Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 309). Mr. Yau was an independent non-executive director of KEE Holdings Company Limited (currently renamed as China Apex Group Limited), a company listed on the Main Board of the Stock Exchange (stock code: 2011) from 2017 to 2019 and Ascent International Holdings Limited (currently renamed as China International Development Corporation Limited), a company listed on the Main Board of the Stock Exchange (stock code: 264) from 2017 to 2018.

Mr. Yau has entered into a service contract with the Company for a term of three years commencing on 3 September 2020, unless terminated in accordance with the terms as stipulated therein. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. Mr. Yau is entitled to a director's fee of HK\$50,000 per month, which has been determined by the Board with reference to his duties and responsibilities within the Group.

As at the Latest Practicable Date, Mr. Yau was not interested or deemed to be interested in the Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Yau (i) has not held any other positions in the Company or other members of the Group; (ii) is not related to any director, senior management, substantial shareholder or controlling shareholder of the Company; and (iii) has not held any other directorships in any other listed public companies in the last three years.

Save as disclosed above, there is no other matter concerning Mr. Yau that needs to be brought to the attention of the Shareholders nor is Mr. Yau involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules.

- (3) **Leung Hoi Ming**, aged 53, has been appointed as an independent non-executive director, a member of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company since 30 April 2021. He has extensive knowledge and experience in risk management of financial instruments, treasury business and financial derivative products. He has served DBS Bank Ltd for eight years and was Senior Vice President in the Treasury and Markets Division upon his departure from the bank on 22 May 2009. Dr. Leung started his career in the finance industry in 1996 with Citibank as quantitative analyst in the Equity Derivatives Asia Department. He had served a few other financial institutes before joining DBS Bank Ltd as a financial product specialist as well and had held various roles in business development, trading and risk management.

Dr. Leung holds a Bachelor (First Class Honours) degree of Science from the Chinese University of Hong Kong in 1990. Also, he holds a Master degree of Science in Mathematics in 1993 and a Doctor degree of Philosophy in Mathematics in 1996 both from the California Institute of Technology, and a Master degree of Science in Investment Management from the Hong Kong University of Science and Technology in 1999.

He is currently an independent non-executive director of Yuan Heng Gas Holdings Limited (stock code: 332) and Fresh Express Delivery Holdings Group Co., Limited (stock code: 1175) since 19 January 2010 and 8 July 2013 respectively.

Dr. Leung has entered into a letter of appointment with the Company for a term of three years commencing from 30 April 2021, subject to rotation and re-election at annual general meetings of the Company in accordance with the provision of the Bye-Laws. A letter of appointment can be terminated by either party by giving not less than one month written notice in advance. Dr. Leung is entitled to a director's fee of HK\$20,000 per month which is determined by arm's length negotiation between Dr. Leung and the Company with reference to his duties and responsibilities. The amount of the remuneration has been approved by the Board and the remuneration committee of the Company.

As at the Latest Practicable Date, Dr. Leung was not interested or deemed to be interested in the Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Dr. Leung (i) has not held any other positions in the Company or other members of the Group; (ii) is not related to any director, senior management, substantial shareholder or controlling shareholder of the Company; and (iii) has not held any other directorships in any other listed public companies in the last three years.

Save as disclosed above, there is no other matter concerning Dr. Leung that needs to be brought to the attention of the Shareholders nor is Dr. Leung involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules.

The Board would consider to enhance its diversity with different expertise when re-electing an independent non-executive Director. Dr. Leung has confirmed his independence pursuant to Rule 3.13 of the Listing Rules. He has extensive knowledge and various experience in risk management of financial instruments, treasury business and financial derivative products. The Board considers Dr. Leung is independent and can bring further contribution to the Board and its diversity.

- (4) **Chan Yau Ching, Bob**, aged 58, has been appointed as an independent non-executive director, a member of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company since 3 September 2018. He is a holder of a Doctorate degree in Finance. Dr. Chan graduated from the Chinese University of Hong Kong and obtained a Bachelor's degree in Business Administration in 1984. He further obtained a Master degree in Business Administration from the University of Wisconsin-Madison, the United States of America ("US") in 1986, and a Doctorate degree in Finance from Purdue University, US in 1994. Dr. Chan is a member of the Chartered Financial Analyst Institution and the Hong Kong Society of Financial Analysts.

Since April 2009, Dr. Chan has been a licenced representative/responsible officer engaging in type 4 (advising of securities) and type 9 (asset management) regulated activities under the SFO.

Dr. Chan was appointed as an executive director and the chief strategic officer of Celestial Asia Securities Holdings Limited (stock code: 1049) from August 2002 to February 2005, and later as the investment director from November 2005 to July 2010, where he was mainly responsible for strategic investment projects and asset management.

Dr. Chan was appointed as a managing director of Pricerite Group Limited (stock code: 996, currently known as Carnival Group International Holdings Limited) from November 2003 to November 2004, which primarily engaged in the retail of furniture and household products. During 2005 to 2007, Dr. Chan was appointed as the chief financial officer of Moli Group Limited (摩力集團有限公司), Shanghai, the People's Republic of China (a wholly-owned subsidiary of Celestial Asia Securities Holdings Limited), which was a developer, operator and distributor of online games, where he was mainly responsible for building accounting, finance and control procedures and policies and in charge of the human resources. Dr. Chan was later appointed as the chief executive officer of Moli Group Limited from July 2010 to October 2012, where he was mainly responsible for the re-focusing of the company's business covering online and mobile entertainment.

Dr. Chan was appointed as the deputy chief executive officer and an executive director of Celestial Asia Securities Holdings Limited from November 2012 to July 2013, and later as the director of investments and corporate development from August to November 2013, where he was mainly responsible for the overall business development and the design and development of algorithm trading strategies respectively.

Since January 2002, Dr. Chan has been appointed as an independent non-executive director of Lee's Pharmaceutical Holdings Limited (stock code: 950), which principally engaged in the research, development, manufacturing and distribution of biopharmaceutical drugs in China.

Since March 2014, Dr. Chan has been appointed as a managing director of KBR Capital Limited, where he is mainly responsible for asset management, advising on capital market transactions and investment management. Dr. Chan is currently a managing director and a responsible officer of KBR Fund Management Limited, which is a licenced corporation carrying out type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO.

Since December 2016, Dr. Chan has been appointed as an independent non-executive director of China High Speed Transmission Equipment Group Company Limited (stock code: 658), which principally engaged in the design, manufacturing and distribution of transmission systems for wind powered generators with customers globally.

Dr. Chan has been appointed as an independent director of Hangzhou Huaxing Chuangye Communication Technology Co., Ltd. (杭州華星創業通信技術股份有限公司) (stock code: 300025) from December 2018 to December 2020, the shares of which are listed on ChiNext of the Shenzhen Stock Exchange.

Dr. Chan has entered into a letter of appointment with the Company for a term of three years commencing on 3 September 2018, unless terminated in accordance with the terms as stipulated therein. He is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. Dr. Chan is entitled to receive a director's fee of HK\$20,000 per month, which is determined by the remuneration committee and the Board of the Company having regard to his duties and responsibilities and the prevailing market conditions.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

As at the Latest Practicable Date, Dr. Chan was not interested or deemed to be interested in the Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Dr. Chan (i) has not held any other positions in the Company or other members of the Group; (ii) is not related to any director, senior management, substantial shareholder or controlling shareholder of the Company; and (iii) has not held any other directorships in any other listed public companies in the last three years.

Save as disclosed above, there is no other matter concerning Dr. Chan that needs to be brought to the attention of the Shareholders nor is Dr. Chan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules.



DAISHO MICROLINE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0567)

NOTICE IS HEREBY GIVEN that the annual general meeting of Daisho Microline Holdings Limited (the “Company”) will be held at Room 201, 2/F, Duke of Windsor Social Service Building, No. 15 Hennessy Road, Wanchai, Hong Kong on Friday, 24 September 2021 at 11:30 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditor for the year ended 31 March 2021.
2.
 - (a) To re-elect Mr. Wong Siu Hung, Patrick as an executive director of the Company.
 - (b) To re-elect Mr. Yau Pak Yue as a non-executive director of the Company.
 - (c) To re-elect Dr. Leung Hoi Ming as an independent non-executive director of the Company.
 - (d) To re-elect Dr. Chan Yau Ching, Bob as an independent non-executive director of the Company.
3. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
4. To re-appoint Mazars CPA Limited as the independent auditor of the Company and to authorise the board of directors of the Company to fix its remuneration.
5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING FOR 2021

- (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

- (c) for the purposes of this resolution:

“Relevant Period” means the period from the 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 bye-laws of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING FOR 2021

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the 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 bye-laws of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING FOR 2021

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 6 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

For and on behalf of the Board

Lee Man Kwong

Chairman

Hong Kong, 26 July 2021

NOTICE OF ANNUAL GENERAL MEETING FOR 2021

Notes:

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy to attend and on a poll, vote instead of him. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In light of the pandemic situation of Novel Coronavirus (COVID-19), member may consider appointing the chairman of the annual general meeting ("AGM") as his/her proxy to vote on the resolutions instead of attending AGM in person. There will be no corporate gift or refreshment in the AGM in order to reduce person-to-person contact. Shareholders attending the AGM in person are required to wear surgical face mask at any time within the venue and to undertake a body temperature check before they enter the AGM venue. Any person who does not comply with the precautionary measures to be taken at the AGM will be denied entry into the AGM venue. For the details of precautionary measures for the AGM, please refer to the circular of the Company dated 26 July 2021. Attendees are requested to observe and practise good personal hygiene at all times at the AGM venue.
4. In order to be valid, the 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 deposited at the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the AGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. The record date for determining the entitlement to attend and vote at the AGM will be Monday, 20 September 2021. In order to be eligible to attend and vote at the meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 20 September 2021.