DAISHO MICROLINE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0567)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement (the "**First Announcement**") of the Company dated 24 January 2017 in relation to, among other matters, the proposed placing of convertible bonds (the "**Convertible Bonds**") of the Company in the principal amount of up to HK$130 million under the specific mandate pursuant to the 2016 Placing Agreement; the announcement (the "**Second Announcement**") of the Company dated 26 May 2017 in relation to the adjustment to conversion price and interest rate of the Convertible Bonds pursuant to the Supplemental Placing Agreement dated 26 May 2017 in relation to the 2016 Placing Agreement; the circular (the "**Circular**") of the Company dated 21 July 2017, in relation to, among others, the placing of Convertible Bonds of the Company in principal amount of up to HK$80 million under the general mandate; and the announcement (the "**Third Announcement**") of the dated 22 September 2017 in relation to the completion of the issue of the Convertible Bonds and the monthly return of the Company (collectively "**Monthly Returns**" and individually, "**Monthly Return**") published for each of the ten months from September 2017 to June 2018. Unless the context otherwise requires, terms defined in this announcement shall have the same meaning as those defined in the First Announcement, Second Announcement, Third Announcement and the Circular.

The Board noted that there were inadvertent clerical errors in the Monthly Returns. The Board wishes to clarify that the details of the Convertible Bonds have been omitted in the Monthly Returns. The following details of the Convertible Bonds should be disclosed in the Monthly Return for September 2017:

Class and description	Currency of amount outstanding	Amount at close of preceding month	Converted during the month	Amount at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. 6% Convertible Bonds due on 21 September 2020	HK$	Nil	Nil	80,000,000	Nil	222,222,222
Stock Code (if listed)	N/A					
Class of share issuable	Ordinary Shares					
Subscription price	HK$0.36					
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					

The following details of the Convertible Bonds should be disclosed in the Monthly Return from October 2017 to June 2018:

Class and description	Currency of amount outstanding	Amount at close of preceding month	Converted during the month	Amount at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. 6% Convertible Bonds due on 21 September 2020	HK$	80,000,000	Nil	80,000,000	Nil	222,222,222
Stock Code (if listed)	N/A					
Class of share issuable	Ordinary Shares					
Subscription price	HK$0.36					
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					

The clarification above does not affect any other information contained in the Monthly Returns published for each of the ten months from September 2017 to June 2018, and the revised Monthly Returns have published on the websites of the Company (http://www.irasia.com/listco/hk/daisho/) and the Stock Exchange (www.hkexnews.hk).

By Order of the Board
Cheung Lai Na
Chairman

Hong Kong, 9 July 2018

As at the date of this announcement, the Board consists of three executive directors, namely, CHEUNG Lai Na, CHEUNG Lai Ming and LEE Man Kwong and three independent non-executive directors, namely, LEUNG King Fai, CHOU Yuk Yan and LAW Ping Wah.