

THIS SUPPLEMENTAL CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this supplemental circular or as to the action to be taken, you should consult a 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**, you should at once hand this supplemental circular to the purchaser or transferee or to the bank, licensed securities dealer 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)

SUPPLEMENTAL CIRCULAR TO THE CIRCULAR TO SHAREHOLDERS DATED 24 OCTOBER 2016 AND SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING FOR 2015 AND 2016

This supplemental circular should be read together with the circular of Daisho Microline Holdings Limited (the “**Company**”) dated 24 October 2016 in relation to, among other things, the proposed re-election of directors.

A supplemental notice convening an annual general meeting for 2015 and 2016 of the Company to be held at Room 631, 6/F., Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong on Tuesday, 22 November 2016 at 10:00 a.m. is set out on pages 7 to 8 of this supplemental circular. Whether or not you are able to attend the annual general meeting for 2015 and 2016, you are requested to complete and return the enclosed second 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 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting for 2015 and 2016. Completion and return of the second form of proxy will not preclude you from attending and voting in person at the annual general meeting for 2015 and 2016 or any adjournment thereof, should you so wish.

9 November 2016

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DAISHO MICROLINE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0567)

Executive Directors:

CHAN Sik Ming, Harry (*Chairman & CEO*)
AU-YEUNG Wai Hung
CHEUNG Lai Na
CHEUNG Lai Ming

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Independent Non-executive Directors:

LI Chi Kwong
YEUNG Chi Shing, Bret
LEUNG King Fai
CHOU Yuk Yan

Head Office and Principal Place of Business:

Units 1-2, 16/F.
Nan Fung Commercial Centre
19 Lam Lok Street
Kowloon Bay
Hong Kong

9 November 2016

To the Shareholders

Dear Sir or Madam,

**SUPPLEMENTAL CIRCULAR TO
THE CIRCULAR TO SHAREHOLDERS DATED 24 OCTOBER 2016
AND
SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING
FOR 2015 AND 2016**

INTRODUCTION

This supplemental circular should be read together with the circular to the Shareholders dated 24 October 2016 in respect of matters to be considered at the 2015 and 2016 AGM ("**Circular**") which contains, among other things, the proposed re-election of directors to be considered by the Shareholders at the 2015 and 2016 AGM. The purpose of this supplemental circular is to give you further information relating to the re-election of Ms. Cheung Lai Ming as an executive director at the 2015 and 2016 AGM. Unless otherwise defined, capitalised terms used in this supplemental circular shall have the same meanings as those defined in the Circular.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTOR

On 7 November 2016, the Board made an announcement relating to the appointment of Ms. Cheung Lai Ming (“**Ms. Sara Cheung**”) as an executive director and a member of the Nomination Committee of the Company (the “**Announcement**”). As stated in the Announcement, the term of service of Ms. Sara Cheung is subject to the requirements on the re-election and retirement by rotation of directors at the annual general meeting of the Company in accordance with the provisions of the Bye-Laws. According to Bye-Law 102 of the Bye-Laws, any Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. In accordance with Bye-Law 102, Ms. Sara Cheung will retire from her office and being eligible, will offer herself for re-election at the 2015 and 2016 AGM.

The biographical details in respect of Ms. Sara Cheung are set out in the Appendix to this supplemental circular.

As a result of the appointment of Ms. Sara Cheung as an executive director of the Company, there is an update to the biographical details in respect of Ms. Cheung Lai Na (“**Ms. Zoe Cheung**”). The updated biographical details in respect of Ms. Zoe Cheung are set out in the Appendix to this supplemental circular.

SUPPLEMENTAL DOCUMENTS

As set out in the Circular, the 2015 and 2016 AGM will be held at Room 631, 6/F., Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong on Tuesday, 22 November 2016 at 10:00 a.m.. Given the notice of the 2015 and 2016 AGM and the proxy form accompanying the Circular (the “**First Proxy Form**”) do not contain the proposed resolution in relation to the proposed re-election of Ms. Sara Cheung: (i) a supplemental notice of annual general meeting for 2015 and 2016 (the “**Supplemental AGM Notice**”) is set out on pages 7 to 8 of this supplemental circular; and (ii) the second form of proxy (the “**Second Proxy Form**”) has been prepared and is enclosed with this supplemental circular.

Both the Supplemental AGM Notice and the Second Proxy Form are published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.irasia.com/listco/hk/daisho) and contain the proposed resolution for the proposed re-election of Ms. Sara Cheung.

SECOND PROXY FORM

Whether or not you are able to attend the 2015 and 2016 AGM, you are requested to complete and return the enclosed Second Proxy Form in accordance with the instructions printed thereon to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited (“**Share Registrar**”) at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2015 and 2016 AGM or any adjourned meeting thereof (“**Closing Time**”). Completion and return of the Second Proxy Form will not preclude you from attending and voting at the 2015 and 2016 AGM or any adjournment thereof, should you so wish.

LETTER FROM THE BOARD

A Shareholder who has not yet lodged the First Proxy Form with the Share Registrar is requested to lodge the Second Proxy Form if he/she wishes to appoint proxy(ies) to attend the 2015 and 2016 AGM on his/her behalf. In this case, the First Proxy Form should not be lodged with the Share Registrar.

A Shareholder who has already lodged the First Proxy Form with the Share Registrar should note that:

- (i) If no Second Proxy Form is lodged with the Share Registrar, the First Proxy Form, if correctly completed, will be treated as a valid proxy form lodged by him/her. The proxy so appointed by the Shareholder will be entitled to cast the vote at his/her discretion or to abstain from voting on any resolution properly put to the 2015 and 2016 AGM (including, if properly put, a resolution for the re-election of Ms. Sara Cheung as a Director as set out in this supplemental circular) except for those resolutions to which the Shareholder has indicated his/her voting direction in the First Proxy Form.
- (ii) If the Second Proxy Form is lodged with the Share Registrar before the Closing Time, the Second Proxy Form, if correctly completed, will revoke and supersede the First Proxy Form previously lodged by him/her. The Second Proxy Form will be treated as a valid proxy form lodged by the Shareholder.
- (iii) If the Second Proxy Form is lodged with the Share Registrar after the Closing Time, or if lodged before the Closing Time but is incorrectly completed, the proxy appointment under the Second Proxy Form will be invalid. The proxy so appointed by the Shareholder under the First Proxy Form, if correctly completed, will be entitled to vote in the manner as mentioned in (i) above as if no Second Proxy Form was lodged with the Share Registrar. Accordingly, Shareholders are advised to complete the Second Proxy Form carefully and lodge the Second Proxy Form with the Share Registrar before the Closing Time.

Shareholders are reminded that submission of the First Proxy Form and/or the Second Proxy Form shall not preclude the Shareholders from attending the 2015 and 2016 AGM or any adjournment thereof and voting in person should they so wish.

If you are a non-registered Shareholder, i.e. your Shares are held through an intermediary (for example, a bank, custodian or securities broker) or registered in the name of your nominee, you will not receive the Second Proxy Form directly from the Company, and you will need to give instructions to your intermediary/nominee to vote on your behalf. If you wish to attend, speak and vote at the 2015 and 2016 AGM, you should seek authorisation to do so from your intermediary/nominee directly.

LETTER FROM THE BOARD

RECOMMENDATION

The Board is of the opinion that the re-election of Ms. Sara Cheung as Director at the 2015 and 2016 AGM is in the best interests of the Company and the Shareholders as a whole and therefore recommends the Shareholders to vote in favour of such resolution.

Shareholders are advised to read this supplemental circular together with the Circular for information relating to the voting arrangement.

Yours faithfully,
By Order of the Board
CHAN Sik Ming, Harry
Chairman

Cheung Lai Ming (“**Ms. Sara Cheung**”), aged 34, has been an executive director and a member of the Nomination Committee of the Company since 7 November 2016. She has not previously held any other position with the Group. Also, she did not hold any directorship in other listed public companies in the past three years.

Ms. Sara Cheung had graduated with a Bachelor of Pharmacy degree in 2009 from the Monash University, Melbourne, Australia. Ms. Sara Cheung is the Head of Sales of a bunkering company in Hong Kong. She is also the founder and director of a bunkering company in Singapore.

According to the letter of appointment entered into between Ms. Sara Cheung and the Company, her term of service is three years subject to the requirements on the re-election and retirement by rotation of directors at the annual general meeting of the Company in accordance with the provisions of the Bye-Laws. She is entitled to receive a fixed director’s salary of HK\$50,000 per month, which is determined by the Remuneration Committee and the Board of the Company having regard to her duties and responsibilities and the prevailing market conditions, along with the Group’s contribution to provident fund equivalent to 5% of her monthly director’s salary.

Ms. Sara Cheung is the daughter of Mr. Cheung Ling Mun who is a major Shareholder and a senior management of the Group, and also the younger sister of Ms. Cheung Lai Na who is an executive director of the Company. Save as disclosed above, Ms. Sara Cheung is not related to any Directors, senior management of the Company or substantial or controlling Shareholders. Ms. Sara Cheung is not interested in any Shares, within the meaning of Part XV of the SFO. Save as disclosed above, there is no other information concerning Ms. Sara Cheung that needs to be brought to the attention of the Shareholders.

Save as disclosed above, there is no information relating to Ms. Sara Cheung that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Cheung Lai Na (“**Ms. Zoe Cheung**”), aged 41, has been an executive director, a member of the Remuneration Committee and the Nomination Committee of the Company since 9 June 2015. She is also a director of a number of Hong Kong incorporated subsidiaries of the Company. She did not hold any directorship in other listed public companies in the past three years.

After her study in Canada, Ms. Zoe Cheung returned to Hong Kong and completed the Diploma course in China Finance from Hong Kong Management Association.

Ms. Zoe Cheung is the founder and chief executive officer of a bunkering company in Hong Kong. She is also the founder and director of a bunkering company in Singapore.

According to the letter of appointment entered into between Ms. Zoe Cheung and the Company, her term of service is three years subject to the requirements on the re-election and retirement by rotation of directors at the annual general meeting of the Company in accordance with the provisions of the Bye-Laws. She is entitled to receive a fixed director’s salary of HK\$50,000 per month, which is determined by the Remuneration Committee and the Board of the Company having regard to her duties and responsibilities and the prevailing market conditions, along with the Group’s contribution to provident fund equivalent to 5% of her monthly director’s salary.

Ms. Zoe Cheung is the daughter of Mr. Cheung Ling Mun who is a major Shareholder and a senior management of the Group, and also the elder sister of Ms. Cheung Lai Ming who is an executive director of the Company. Save as disclosed above, Ms. Zoe Cheung is not related to any Directors, senior management of the Company, or substantial or controlling Shareholders. Ms. Zoe Cheung holds 120,068,000 Shares as nominee in trust for Mr. Cheung Ling Mun. Save as disclosed above, Ms. Zoe Cheung is not interested in any Shares within the meaning of Part XV of the SFO. Save as disclosed above, there is no other information concerning Ms. Zoe Cheung that needs to be brought to the attention of the Shareholders.

Save as disclosed above, there is no information relating to Ms. Zoe Cheung that is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.



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SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING FOR 2015 AND 2016

Reference is made to the notice of annual general meeting for 2015 and 2016 dated 24 October 2016 (the “**Initial Notice**”) issued by Daisho Microline Holdings Limited (the “**Company**”) to convene the annual general meeting for 2015 and 2016 of the Company to be held at Room 631, 6/F., Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong on Tuesday, 22 November 2016 at 10:00 a.m. and contains resolutions to be considered and, if thought fit, passed at the annual general meeting for 2015 and 2016 of the Company. Unless otherwise indicated, capitalised terms used herein have the same meanings as those defined in the circular of the Company dated 24 October 2016 (the “**Initial Circular**”) and the supplemental circular of the Company dated 9 November 2016 (the “**Supplemental Circular**”).

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the annual general meeting for 2015 and 2016 of the Company, which will be held on the same date, at the same time and at the same place as originally scheduled in the Initial Notice, will consider and, if thought fit, pass the following supplemental resolution as ordinary resolution in addition to the resolutions set out in the Initial Notice:

ORDINARY RESOLUTION

“15. To re-elect Ms. Cheung Lai Ming as Director.”

Save as set out above, all resolutions contained in the Initial Notice will remain to have full force and effect.

By Order of the Board
CHAN Sik Ming, Harry
Chairman

Hong Kong, 9 November 2016

Principal place of business:
Units 1-2, 16/F.
Nan Fung Commercial Centre
19 Lam Lok Street
Kowloon Bay
Hong Kong

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING FOR 2015 AND 2016

Notes:

1. A second proxy form (the “**Second Proxy Form**”) is enclosed with the Supplemental Circular. Please refer to the Supplemental Circular for special arrangements for completion and submission of the Second Proxy Form.
2. In respect of the proposed ordinary resolution No. 15 above, Ms. Cheung Lai Ming shall retire and, being eligible, has offered herself for re-election as a director of the Company at the above meeting. Details of Ms. Cheung Lai Ming had been set out in the Appendix to the Supplemental Circular.
3. Please refer to the Initial Notice for details of other resolutions to be proposed at the annual general meeting for 2015 and 2016 and other relevant matters.
4. As at the date of this notice, the Board comprises four executive directors, namely, Chan Sik Ming, Harry, Au-Yeung Wai Hung, Cheung Lai Na and Cheung Lai Ming, and four independent non-executive directors, namely, Li Chi Kwong, Yeung Chi Shing, Bret, Leung King Fai and Chou Yuk Yan.