

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



DAISHO MICROLINE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0567)

REMOVAL OF EXECUTIVE DIRECTOR OF THE COMPANY

The board of directors (the “**Board**”) of Daisho Microline Holdings Limited (the “**Company**”) announces that Mr. Chan Sik Ming, Harry (“**Mr. Chan**”) was removed as an executive director of the Company pursuant to Bye-law 97(A)(vi) of the New Bye-Laws of the Company with effect from 23 December 2016. All of the Co-directors of the Company in office (which comprise all directors of the Company except Mr. Chan) take the view that the aforesaid removal is in the best interests of the Company and for the furtherance of business and operation of the Company. Mr. Chan has also ceased to be the Chairman and Chief Executive Officer of the Company, the chairman and member of the Nomination Committee of the Company, and an authorised representative of the Company (the “**Authorised Representative**”) under Rule 3.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) with effect from 23 December 2016. As a result, the chairman of the Nomination Committee of the Company falls vacant, which constitutes a non-compliance with the requirement under the Code Provision A.5.1 as set out in Appendix 14 of the Listing Rules. In light of the above, the Company will take appropriate arrangement as soon as practicable and in any event within three months pursuant to the requirements of the Listing Rules. Further announcement will be made in this relation when appropriate. Further, Ms. Cheung Lai Ming has been appointed as the Authorised Representative in replacement of Mr. Chan with effect from 23 December 2016.

Save as disclosed above and save for a disagreement on the proposed use of proceeds in respect of the proposed issue of convertible bonds by the Company which is critical to the ongoing operation and financial circumstances of the Company, the Board is not aware of any disagreement between Mr. Chan and the Board or any matters that needs to be brought to the attention of the shareholders of the Company.

The Board considers that the removal of Mr. Chan from his directorship with the Company will not have an adverse effect on the operations of the Company and its subsidiaries.

By Order of the Board
Ng Lai Hung
Company Secretary

Hong Kong, 23 December 2016

As at the date of this announcement, the Board consists of two executive directors, namely, CHEUNG Lai Na and CHEUNG Lai Ming, and four independent non-executive directors, namely, YEUNG Chi Shing Bret, LEUNG King Fai, CHOU Yuk Yan and LEE Man Kwong.