

DAIDO

DAIDO GROUP LIMITED

大同集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 544)

**PROXY FORM FOR USE AT THE SPECIAL GENERAL MEETING
TO BE HELD ON MONDAY, 4 SEPTEMBER 2006 AT 10:00 A.M., AT PLAZA I-III,
LOWER LOBBY, NOVOTEL CENTURY HONG KONG,
238 JAFFE ROAD, WANCHAI, HONG KONG
(OR ANY ADJOURNMENT THEREOF)**

I/We² _____
of _____
being the registered holder(s) of³ _____ shares of HK\$0.01 each in the capital of
Daido Group Limited (the "Company") HEREBY APPOINT⁴ _____
of _____
or failing him, the Chairman of the special general meeting (the "SGM"), as my/our proxy to attend on my/our
behalf at the SGM to be held on Monday, 4 September 2006 at 10:00 a.m., at Plaza I-III, Lower Lobby, Novotel
Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong, or at any adjournment thereof for the purpose of
considering and, if thought fit, passing the resolution as set out in the notice convening the SGM and at such SGM
(or at any adjournment thereof) to vote for me/us and on my/our behalf in respect of the resolution as hereunder
indicated or, if no such indication is given, as my/our proxy thinks fit⁵.

ORDINARY RESOLUTION	FOR⁵	AGAINST⁵
To approve the Agreement and the transactions contemplated thereunder [#]		

Dated this _____ day of _____ 2006. Signature⁶: _____

Notes:

1. Unless otherwise defined, terms used herein shall have the same meanings as defined in the circular of the Company dated 21 August 2006 (the "Circular") with which this form of proxy is enclosed.
2. Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
3. Please insert the number of shares in the Company registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares in the Company registered in your name(s).
4. Please insert the name and address of the proxy desired. **IF NO NAME IS INSERTED, THE CHAIRMAN OF THE SGM WILL ACT AS YOUR PROXY. ANY ALTERNATION MADE TO THIS FORM OF PROXY MUST BE INITIALED BY THE PERSON WHO SIGNS IT.**
5. **IMPORTANT: IF YOU WISH TO VOTE FOR THE ABOVE RESOLUTION, PUT A TICK IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST THE ABOVE RESOLUTION, PUT A TICK IN THE BOX MARKED "AGAINST"**. Failure to do so will entitle your proxy to cast his/her vote at his/ her discretion. Your proxy will also be entitled to vote at his/her discretion on any resolution properly put to the SGM other than those referred to in the notice convening the SGM.
6. This form of proxy must be signed by you or your attorney duly authorised in writing or in the case of a corporation must be either under its common seal or under the hand of an officer or attorney duly authorised in that behalf. The signature must match the records maintained by the Company's branch share registrar in Hong Kong, Union Registrars Limited at 311-312 Two Exchange Square, Central, Hong Kong.
7. In case of joint registered holders of any shares, any one of such holders may vote at the SGM, either in person or by proxy, in respect of such shares as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the SGM personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
8. To be valid, this 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 at the address stated in note 6 above not less than 48 hours before the time appointed for holding of the SGM or any adjournment thereof.
9. The proxy need not be a member of the Company but must attend the SGM in person to represent you.
10. Completion and return of this form of proxy shall not preclude you from attending and voting at the SGM in person if you so wish, but the authority of your proxy will be invalid forthwith.

[#] Please refer to the notice of SGM as set out in the Circular for the full text of the resolution

* For identification purpose only