

DAIDO**DAIDO GROUP LIMITED***(Incorporated in Bermuda with limited liability)***(Stock Code: 544)****PROXY FORM FOR USE AT THE ANNUAL GENERAL MEETING
TO BE HELD ON 25TH MAY, 2006 (OR ANY ADJOURNMENT THEREOF)**

I/We (Note 1) _____
of _____
being the registered holder(s) of (Note 2) _____ shares of HK\$0.01 each in the capital of
Daido Group Limited (the "Company") HEREBY APPOINT (Note 3) _____

of _____
or failing him, the Chairman of the Annual General Meeting ("Meeting"), as my/our proxy to attend on my/our behalf at the Meeting of the Company to be held at Plaza IV, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 25th May, 2006 at 10:00 a.m. or at any adjournment thereof for the purpose of considering and, if thought fit, passing the resolutions as set out in the notice convening the said Meeting and at such Meeting (or at any adjournment thereof) to vote for me/us and on my/our behalf in respect of the resolutions as hereunder indicated or, if no such indication is given, as my/our proxy thinks fit (Note 4).

	ORDINARY RESOLUTIONS	FOR^(Note 4)	AGAINST^(Note 4)
1.	To receive and approve the audited financial statements and the reports of the directors and of the auditors for the year ended 31st December, 2005.		
2.	(i) To re-elect Mr. Leung, Tsz Fung David Ferreira as director.		
	(ii) To re-elect Mr. Tse Yuen Ming as director.		
	(iii) To re-elect Mr. Leung Chi Hung as director.		
	(iv) To authorize the Board of Directors to fix the directors' remuneration.		
3.	To appoint Deloitte Touche Tohmatsu as auditors and to authorize the Board of Directors to fix their remuneration.		
4.	To grant a general unconditional mandate to the Directors to repurchase shares in the Company not exceeding 10% of the issued share capital of the Company as at the date of this resolution.		
5.	To grant a general unconditional mandate to the Directors to allot, issue and deal with additional shares in the Company not exceeding 20% of the issued share capital of the Company as at the date of this resolution.		
6.	Conditional on the passing of resolutions 4 and 5, to extend the general mandate granted by resolution 5 by adding thereto the shares repurchased pursuant to the general mandate granted by resolution 4.		
	SPECIAL RESOLUTIONS		
7.	To approve the amendments to the bye-laws of the Company.		
8.	To approve and adopt a new bye-laws of the Company in the form produced at the Meeting.		

Dated this _____ day of _____ 2006 Signature (Note 5): _____

Notes:

- Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
 - Please insert the number of shares in the Company registered in your name(s). If no number is inserted, this proxy form will be deemed to relate to all the shares in the Company registered in your name(s).
 - Please insert the name and address of the proxy desired. **IF NO NAME IS INSERTED, THE CHAIRMAN OF THE MEETING WILL ACT AS YOUR PROXY. ANY ALTERNATION MADE TO THIS PROXY FORM MUST BE INITIALED BY THE PERSON WHO SIGNS IT.**
 - IMPORTANT: IF YOU WISH TO VOTE FOR ANY RESOLUTION, PUT A TICK IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST ANY RESOLUTION, PUT A TICK IN THE BOX MARKED "AGAINST".** Failure to do so will entitle your proxy to cast his vote at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the Meeting other than those referred to in the notice convening the Meeting.
 - This proxy form must be signed by you or your attorney duly authorized 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 authorized in that behalf. The signature must match the records maintained by the Company's branch share registrars in Hong Kong.
 - Where there are joint registered holders of any shares, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such shares as if he was solely entitled thereto; but if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the said persons 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.
 - To be valid, this proxy form, 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 registrars in Hong Kong, Union Registrars Limited, at 311-312 Two Exchange Square, Central, Hong Kong, as soon as possible but in any event by no later than 48 hours before the time appointed for holding of the Meeting or any adjournment thereof.
 - The proxy need not be a member of the Company but must attend the Meeting in person to represent you.
 - Completion and delivery of this proxy form shall not preclude you from attending and voting at the Meeting in person if you so wish, but the authority of your proxy will be invalid forthwith.
- # Please refer to the notice of Annual General Meeting for the full text of the resolutions