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DAIDO

DAIDO GROUP LIMITED

大同集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock code: 544)

DELAY IN DESPATCH OF CIRCULAR

As at the date of this announcement, the Company has yet to receive the financial information of the Target Group. The Directors expect to obtain the financial information of the Target Group and forward such information to the Auditors on or before 7 July 2006. As such, additional time is required for the Company to obtain the financial information of the Target Group and for the Auditors to prepare the accountants' report on the Target Group and the pro forma financial statements of the Enlarged Group. Additional time is also required for the Auditors to review the indebtedness statement and the working capital forecast prepared by the Company. In view of the above reasons, the despatch of the Circular will be delayed from 29 June 2006 to on or before 29 July 2006.

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules such that the despatch of the Circular is to be postponed to on or before 29 July 2006.

Reference is made to the announcement (the "**Announcement**") of the Company in relation to the very substantial acquisition dated 7 June 2006. Definitions and terms used in this announcement, unless the context requires otherwise, shall bear the same meanings as defined in the Announcement.

Pursuant to Rule 14.38 of the Listing Rules, the Company is required to despatch the circular (the "**Circular**") containing, among other things, details of the Acquisition, information regarding the Group and a notice of the SGM to the Shareholders within 21 days after the publication of the Announcement, which shall be on or before 29 June 2006. As at the date of this announcement, the Company has yet to receive the financial information of the Target Group. The Directors expect to obtain the financial information of the Target Group and forward such information to the auditors of the Company (the "**Auditors**") on or before 7 July 2006. As such, additional time is required for the Company to obtain the financial information of the Target Group and for the Auditors to prepare the accountants' report on the Target Group and the pro forma financial statements of the Group as enlarged by the Acquisition (the "**Enlarged Group**"). Additional time is also required for the Auditors to review the indebtedness statement and the working capital forecast prepared by the Company. In view of the above reasons, the despatch of the Circular will be delayed from 29 June 2006 to on or before 29 July 2006.

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules such that the despatch of the Circular is to be postponed to on or before 29 July 2006.

By Order of the Board
Daido Group Limited
Choy Kai Sing
Company Secretary

Hong Kong, 28 June 2006

As at the date of this announcement, the Board comprises executive Directors, namely, Mr. To Shu Fai, Mr. Fung Wa Ko and Mr. Tang Tsz Man, Philip and independent non-executive Directors, namely, Mr. Leung Chi Hung, Mr. Leung, Tsz Fung David Ferreira and Mr. Tse Yuen Ming.

** For identification purpose only*