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DAIDO GROUP LIMITED
大同集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 00544)

**DISCLOSEABLE TRANSACTION:
PROVISION OF FINANCIAL ASSISTANCE**

On 13 February 2015, Mayfair Pacific Finance, a wholly owned subsidiary of the Company, as lender and the Customer as borrower entered into the Loan Agreement A pursuant to which Mayfair Pacific Finance has agreed to grant the Loan A in the amount of HK\$10,000,000 to the Customer for a term of three years from the date of making the advance.

On 18 March 2015, Mayfair Pacific Finance as lender and the Customer further entered into the Loan Agreement B pursuant to which Mayfair Pacific Finance has agreed to grant the Loan B in the amount of HK\$5,000,000 to the Customer for a term of three year from the date of making the advance.

As the relevant percentage ratios upon aggregation of the Loan Agreements exceed 5% but are less than 25%, the entering into of the Loan Agreements constitutes a discloseable transaction for the Company under the Listing Rules.

On 13 February 2015, Mayfair Pacific Finance, a wholly owned subsidiary of the Company, as lender and the Customer as borrower entered into the Loan Agreement A pursuant to which Mayfair Pacific Finance has agreed to grant the Loan A in the amount of HK\$10,000,000 to the Customer for a term of three years from the date of making the advance. Based on the relevant percentage ratios of the Loan Agreement A, the entering into of the Loan Agreement A does not constitute a notifiable transaction on the part of the Company under the Listing Rules.

On 18 March 2015, Mayfair Pacific Finance as lender and the Customer further entered into the Loan Agreement B pursuant to which Mayfair Pacific Finance has agreed to grant the Loan B in the amount of HK\$5,000,000 to the Customer for a term of three year from the date of making the advance.

A summary of the principal terms of the Loan Agreements is set out below.

THE LOAN AGREEMENT A

Date: 13 February 2015

Parties: (1) Mayfair Pacific Finance as lender
(2) Customer as borrower

Mayfair Pacific Finance is a company incorporated in Hong Kong and is a wholly owned subsidiary of the Company.

The Customer is a company incorporated in Hong Kong and is principally engaged in financing related business. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Customer and its ultimate beneficial owner(s) are Independent Third Parties.

Pursuant to the Loan Agreement A, Mayfair Pacific Finance has agreed to grant the Loan A in the amount of HK\$10,000,000 to the Customer subject to and conditional upon the terms and conditions set out in the Loan Agreement A.

Save for the Loan Agreements entered into between Mayfair Pacific Finance and the Customer, there is no other business relationship between the Group and the Customer. To the best of the Directors' knowledge and information, the Directors are not aware of any default by the Customer and/or the Guarantor in the past.

Principal: HK\$10,000,000

Interest rate: 11% per annum

Term: three years commencing from the date of making the loan and the Customer is entitled to apply for a further extension of three years

Guarantee: The loan shall be secured by the personal guarantee given by the Guarantor. The Guarantor is a Hong Kong citizen and the ultimate beneficial owner of the Customer. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Guarantor is an Independent Third Party and with proper occupation.

There is no security for the loan under the Loan Agreement A.

Based on the assessment of Mayfair Pacific Finance, after considering the past credit records and backgrounds of the Customer and the Guarantor in accordance with its credit policy, Mayfair Pacific Finance considers the credit risk relating to the entering into of the Loan Agreement A is relatively low.

Repayment: The Customer shall repay the loan with interest by 3 yearly installments, with the first of such installments to be paid on or before 12 February 2016.

THE LOAN AGREEMENT B

Date: 18 March 2015

Parties: (1) Mayfair Pacific Finance as lender
(2) Customer as borrower

Pursuant to the Loan Agreement B, Mayfair Pacific Finance has agreed to grant the Loan B in the amount of HK\$5,000,000 to the Customer subject to and conditional upon the terms and conditions set out in the Loan Agreement B.

Save for the Loan Agreements entered into between Mayfair Pacific Finance and the Customer, there is no other business relationship between the Group and the Customer. To the best of the Directors' knowledge and information, the Directors are not aware of any default by the Customer and/or the Guarantor in the past.

Principal: HK\$5,000,000

Interest rate: 11% per annum

Term: three years commencing from the date of making the loan and the Customer is entitled to apply for a further extension of three years

Guarantee: The loan shall be secured by the personal guarantee given by the Guarantor. The Guarantor is a Hong Kong citizen and the ultimate beneficial owner of the Customer. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Guarantor is an Independent Third Party and with proper occupation.

There is no security for the loan under the Loan Agreement B.

Based on the assessment of Mayfair Pacific Finance, after considering the past credit records and backgrounds of the Customer and the Guarantor in accordance with its credit policy, Mayfair Pacific Finance considers the credit risk relating to the entering into of the Loan Agreement B is relatively low.

Repayment: The Customer shall repay the loan with interest by 3 yearly installments, with the first of such installments to be paid on or before 17 March 2016.

FUNDING OF THE LOANS

The Group will finance the Loans with its internal resources and/or the proceeds from the placing of the bonds as announced in the announcement of the Company dated 13 November 2014.

INFORMATION ON THE GROUP AND MAYFAIR PACIFIC FINANCE

The Group is principally engaged in the provision of cold storage and related business, and trading and related business in the PRC. The Group is also engaged in money lending and related business through Mayfair Pacific Finance.

Mayfair Pacific Finance is a company incorporated in Hong Kong with limited liability and is principally engaged in money lending and related business in Hong Kong. Mayfair Pacific Finance holds a valid money lenders licence under the provisions of the Money Lenders Ordinance (Cap. 163, the laws of Hong Kong) to carry out its business.

REASONS FOR THE LOAN AGREEMENTS

The grant of the Loans to the Customer is in the ordinary and usual course of business of the Group on normal commercial terms within the meaning of the Listing Rules.

The terms of the Loan Agreements are negotiated on an arm's length basis between Mayfair Pacific Finance and the Customer with regarding to, among others, the financial background and repayment record of Customer and the Guarantor. The terms of the Loan Agreements are entered into on a normal commercial terms based on the credit policy of Mayfair Pacific Finance. The terms of the Loans including the interest rate charged on the Customer are determined with reference to the range of market interest rates.

The Directors consider that the granting of the Loans constitutes provision of financial assistance by the Group under the Listing Rules. Taking into account of the cashflow stream from the expected interest income, the Directors consider that the entering into of the Loan Agreements and the terms and conditions of the Loan Agreements (including the interest rate and principal amounts of the Loans) are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the relevant percentage ratios applicable to the Company in aggregation of both the Loan Agreements exceed 5% but are all less than 25%, the entering into of the Loan Agreements constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Company”	Daido Group Limited, a company incorporated in Bermuda with limited liability the issued Shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it in the Listing Rules
“Customer”	the borrower under the Loan Agreements and an Independent Third Party
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	the guarantor under the Loan Agreements to provide personal guarantee to the repayment of the indebtedness and for the due performance of the Customer under the Loan Agreements
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third party(ies) independent of the Company and its connected persons in accordance with the Listing Rules
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement A”	the loan agreement dated 13 February 2015 between Mayfair Pacific Finance as lender and the Customer as borrower in relation to the grant of Loan A
“Loan Agreement B”	the loan agreement dated 18 March 2015 between Mayfair Pacific Finance as lender and the Customer as borrower in relation to the grant of Loan B
“Loan Agreements”	together Loan Agreement A and Loan Agreement B

“Loan A”	the loan with principal amount of HK\$10,000,000 under the Loan Agreement A
“Loan B”	the loan with principal amount of HK\$5,000,000 under the Loan Agreement B
“Loans”	together Loan A and Loan B
“Mayfair Pacific Finance”	Mayfair Pacific Finance (HK) Limited, a company incorporated in Hong Kong and a wholly owned subsidiary of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By Order of the Board
Daido Group Limited
Au Tat Wai
Executive Director

Hong Kong, 18 March 2015

As at the date of this announcement, the Board comprises executive Directors, namely, Mr. Au Tat Wai, Mr. Choy Kai Sing, Mr. Ho Hon Chung, Ivan and Mr. Tang Tsz Man, Philip; non-executive Director, namely, Mr. Fung Wa Ko; and independent non-executive Directors, namely, Mr. Fung Siu Kit, Ronny, Mr. Leung Chi Hung and Mr. Tse Yuen Ming.

** For identification purpose only*