

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.



DAIDO GROUP LIMITED

大同集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00544)

MAJOR TRANSACTION:

DISPOSAL OF ENTIRE ISSUED SHARE CAPITAL

AND SHAREHOLDER'S LOANS OF

(I) BELVA INVESTMENTS LIMITED;

(II) RICH VANTAGE LIMITED; AND

(III) HOSANNA INVESTMENTS LIMITED

The Board announces that on 21 June 2013 (after the trading hours of the Stock Exchange), the 1st Vendor entered into the 1st Disposal Agreement with the Purchaser for the sale of the Belva Sale Share, the Belva Sale Loan, the Rich Vantage Sale Share and the Rich Vantage Sale Loan by the 1st Vendor to the Purchaser for an aggregate cash consideration of HK\$20,412,000 (subject to adjustment, if any).

The Board further announces that on 21 June 2013 (after the trading hours of the Stock Exchange), the 2nd Vendor entered into the 2nd Disposal Agreement with the Purchaser for the sale of the Hosanna Sale Share and the Hosanna Sale Loan by the 2nd Vendor to the Purchaser for an aggregate cash consideration of HK\$29,588,000 (subject to adjustment, if any). Pursuant to Rule 14.22 of the Listing Rules, the 1st Disposal and the 2nd Disposal should be aggregated.

As the applicable ratio of the Disposals under Rule 14.07 of the Listing Rules exceeds 25% but is less than 75%, the Disposals, constitute major transactions on the part of the Company for the purpose of the Listing Rules and is subject to, among others, the approval of the Shareholders. A SGM will be convened to consider and, if thought fit,

approve the Disposals and the transactions contemplated thereunder. As no Shareholder has a material interest in the Disposals, none of the Shareholders is required to abstain from voting at the SGM.

A circular containing, among other things, further details of the Disposals and further information required under the Listing Rules will be dispatched to the Shareholders on or before 15 July 2013.

Reference is made to the announcement of the Company dated 24 May 2013 in relation to the entering into of a memorandum of understanding in respect of the possible disposals of the entire issued share capital of each of Belva, Rich Vantage and Hosanna by the Company.

THE 1ST DISPOSAL AGREEMENT

On 21 June 2013, the 1st Vendor entered into the 1st Disposal Agreement with the Purchaser for the sale of the Belva Sale Share, the Belva Sale Loan, the Rich Vantage Sale Share and the Rich Vantage Sale Loan by the 1st Vendor to the Purchaser for an aggregate cash consideration of HK\$20,412,000 (subject to adjustment, if any), details of which are set out below:

Date: 21 June 2013

Parties: (i) the 1st Vendor (as vendor); and
(ii) the Purchaser (as purchaser)

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are Independent Third Parties.

Assets to be disposed of:

- (1) the Belva Sale Share, being 1 ordinary share of US\$1.00 in the capital of Belva, representing the entire issued share capital of Belva;
- (2) the Belva Sale Loan, being all obligations, liabilities and debts owing or incurred by Belva Group to the Group (other than the Disposal Group) on or at any time prior to the completion of the 1st Disposal Agreement whether actual, contingent or deferred and irrespective of whether or not the same is due or payable on completion of the 1st Disposal Agreement;

- (3) the Rich Vantage Sale Share, being 1 ordinary share of HK\$1.00 in the capital of Rich Vantage, representing the entire issued share capital of Rich Vantage; and
- (4) the Rich Vantage Sale Loan, being all obligations, liabilities and debts owing or incurred by Rich Vantage Group to the Group (other than the Disposal Group) on or at any time prior to the completion of the 1st Disposal Agreement whether actual, contingent or deferred and irrespective of whether or not the same is due or payable on completion of the 1st Disposal Agreement;

Consideration:

The total consideration for the 1st Disposal payable by the Purchaser to the 1st Vendor for the Belva Sale Share, the Belva Sale Loan, the Rich Vantage Sale Share and the Rich Vantage Sale Loan is HK\$20,412,000 (subject to adjustment, if any) and shall be satisfied in cash by the Purchaser in the following manner:

- (a) HK\$5,000,000 has been paid by the Purchaser to the 1st Vendor or its nominee in cash as deposit (the “**1st Deposit**”) and part of the consideration for the 1st Disposal upon signing and delivery of the 1st Disposal Agreement; and
- (b) HK\$15,412,000, being the balance of the consideration for the 1st Disposal (the “**1st Remaining Consideration**”) shall be payable in cash by the Purchaser to the 1st Vendor or its nominee on the 1st Disposal Agreement Completion Date.

Basis of determining the consideration in respect of the 1st Disposal

The consideration for the 1st Disposal was arrived at after arm's length negotiations between the parties to the 1st Disposal Agreement after taking into account (i) the unaudited net assets values of the Belva Group and the Rich Vantage Group as at 31 March 2013; (ii) the unaudited adjusted net assets values of the Belva Group and the Rich Vantage Group after taking out the amount of the Belva Sale Loan and the Rich Vantage Sale Loan as at 31 March 2013 respectively; and (iii) the historical financial performance of the Belva Group and the Rich Vantage Group.

The Directors consider that the consideration and the terms of the 1st Disposal Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Conditions Precedent

Completion of the 1st Disposal Agreement is conditional upon the satisfaction of the following conditions:

- (1) the passing by the Shareholders at the SGM to be convened and held of an ordinary resolution to approve the 1st Disposal Agreement and the transactions contemplated hereunder in accordance with the Listing Rules and the applicable laws and regulations;
- (2) all necessary consents, authorizations, licences and approvals required to be obtained on the part of the 1st Vendor and/or the Company in respect of the 1st Disposal Agreement and the transactions contemplated hereunder having been obtained;
- (3) the warranties given by the Purchaser under the 1st Disposal Agreement remain true and accurate in all respects;
- (4) the warranties given by the 1st Vendor under the 1st Disposal Agreement remain true and accurate in all respects;
- (5) (where required) all necessary consents and approval from third parties for or in connection with the completion the 1st Disposal Agreement and the transactions contemplated under the 1st Disposal Agreement having been obtained by the 1st Vendor or other relevant members of the Belva Group and the Rich Vantage Group; and
- (6) the 2nd Disposal Agreement having become unconditional (save for the condition for the 1st Disposal Agreement having become unconditional).

The Purchaser may at any time before Completion by writing to the 1st Vendor waive the condition set out in paragraph (4) above, whereas the 1st Vendor may at any time before Completion by writing to the Purchaser waive the condition set out in paragraph (3) above.

If the above conditions are not fulfilled at or before 4:00 p.m. on 31 August 2013 or such later date as the 1st Vendor and the Purchaser may agree in writing, the 1st Disposal Agreement shall cease and determine (save as otherwise provided therein) and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Completion

Completion of the 1st Disposal Agreement will take place on the third Business Days following the satisfaction of the above conditions.

If Completion does not take place as a result of the sole default of the Purchaser, the 1st Vendor shall be entitled to forfeit the 1st Deposit absolutely and may forthwith determine the 1st Disposal Agreement by giving notice of termination in writing to the Purchaser to such effect, in which event neither party shall have any obligations and liabilities thereunder and neither party shall take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof.

If Completion does not take place as a result of the sole default of the 1st Vendor, the Purchaser may forthwith determine the 1st Disposal Agreement by giving notice of termination in writing to the 1st Vendor to such effect, in which event the 1st Vendor shall (i) refund the 1st Deposit (without interest) to the Purchaser; and (ii) pay an additional amount equal to the 1st Deposit to the Purchaser within 10 Business Days upon termination of the 1st Disposal Agreement, and neither party shall have any obligations and liabilities hereunder and neither party shall take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof.

Without prejudice to the aforesaid, if Completion does not take place by virtue of the conditions precedent to Completion not having been fulfilled (or as the case may be, waived) or otherwise than due to the sole default of the Purchaser or the 1st Vendor, the 1st Disposal Agreement shall cease and determine and neither party shall have any obligations and liabilities thereunder and neither party shall take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof and the 1st Vendor shall return the 1st Deposit to the Purchaser within 10 Business Days upon termination of the 1st Disposal Agreement.

THE 2ND DISPOSAL AGREEMENT

On 21 June 2013, the 2nd Vendor entered into the 2nd Disposal Agreement with the Purchaser for the sale of the Hosanna Sale Share and the Hosanna Sale Loan by the 2nd Vendor to the Purchaser for cash consideration of HK\$29,588,000 (subject to adjustment, if any), details of which are set out below:

Date: 21 June 2013

Parties: (i) the 2nd Vendor (as vendor); and
(ii) the Purchaser (as purchaser)

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are Independent Third Parties.

Assets to be disposed of:

- (1) the Hosanna Sale Share, being 1 ordinary share of US\$1.00 in the capital of Hosanna, representing the entire issued share capital of Hosanna; and
- (2) the Hosanna Sale Loan, being all obligations, liabilities and debts owing or incurred by Hosanna Group to the Group (other than the Disposal Group) on or at any time prior to the completion of the 2nd Disposal Agreement whether actual, contingent or deferred and irrespective of whether or not the same is due or payable on completion of the 2nd Disposal Agreement;

Consideration:

The total consideration for the 2nd Disposal payable by the Purchaser to the 2nd Vendor for the Hosanna Sale Share and the Hosanna Sale Loan is HK\$29,588,000 (subject to adjustment, if any) and shall be satisfied in cash by the Purchaser in the following manner:

- (a) HK\$5,000,000 has been paid by the Purchaser to the 2nd Vendor or its nominee in cash as deposit (the "**2nd Deposit**") and part of the consideration for the 2nd Disposal upon signing and delivery of the 2nd Disposal Agreement; and
- (b) HK\$24,588,000, being the balance of the consideration for the 2nd Disposal (the "**2nd Remaining Consideration**") shall be payable in cash by the Purchaser to the 2nd Vendor or its nominee on the 2nd Disposal Agreement Completion Date.

Basis of determining the consideration in respect of the 2nd Disposal

The consideration for the 2nd Disposal was arrived at after arm's length negotiations between the parties to the 2nd Disposal Agreement after taking into account (i) the unaudited net assets value of the Hosanna Group as at 31 March 2013; (ii) the unaudited adjusted net assets values of the Hosanna Group after taking out the amount of the Hosanna Sale Loan as at 31 March 2013; and (iii) the historical financial performance of the Hosanna Group.

The Directors consider that the consideration and the terms of the 2nd Disposal Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Conditions Precedent

Completion of the 2nd Disposal Agreement is conditional upon the satisfaction of the following conditions:

- (1) the passing by the Shareholders at the SGM to be convened and held of an ordinary resolution to approve the 2nd Disposal Agreement and the transactions contemplated hereunder in accordance with the Listing Rules and the applicable laws and regulations;
- (2) all necessary consents, authorizations, licences and approvals required to be obtained on the part of the 2nd Vendor and/or the Company in respect of the 2nd Disposal Agreement and the transactions contemplated hereunder having been obtained;
- (3) the warranties given by the Purchaser under the 2nd Disposal Agreement remain true and accurate in all respects;
- (4) the warranties given by the 2nd Vendor under the 2nd Disposal Agreement remain true and accurate in all respects;
- (5) (where required) all necessary consents and approval from third parties for or in connection with the completion the 2nd Disposal Agreement and the transactions contemplated under the 2nd Disposal Agreement having been obtained by the 2nd Vendor or other relevant members of the Hosanna Group; and

- (6) the 1st Disposal Agreement having become unconditional (save for the condition for the 2nd Disposal Agreement having become unconditional).

The Purchaser may at any time before Completion by writing to the 2nd Vendor waive the condition set out in paragraph (4) above, whereas the 2nd Vendor may at any time before Completion by writing to the Purchaser waive the condition set out in paragraph (3) above.

If the above conditions are not fulfilled at or before 4:00 p.m. on 31 August 2013 or such later date as the 2nd Vendor and the Purchaser may agree in writing, the 2nd Disposal Agreement shall cease and determine (save as otherwise provided therein) and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Completion

Completion of the 2nd Disposal Agreement will take place on the third Business Days following the satisfaction of the above conditions.

If Completion does not take place as a result of the sole default of the Purchaser, the 2nd Vendor shall be entitled to forfeit the 2nd Deposit absolutely and may forthwith determine the 2nd Disposal Agreement by giving notice of termination in writing to the Purchaser to such effect, in which event neither party shall have any obligations and liabilities thereunder and neither party shall take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof.

If Completion does not take place as a result of the sole default of the 2nd Vendor, the Purchaser may forthwith determine the 2nd Disposal Agreement by giving notice of termination in writing to the 2nd Vendor to such effect, in which event the 2nd Vendor shall (i) refund the 2nd Deposit (without interest) to the Purchaser; and (ii) pay an additional amount equal to the 2nd Deposit to the Purchaser within 10 Business Days upon termination of the 2nd Disposal Agreement, and neither party shall have any obligations and liabilities hereunder and neither party shall take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof.

Without prejudice to the aforesaid, if Completion does not take place by virtue of the conditions precedent to Completion not having been fulfilled (or as the case may be, waived) or otherwise than due to the sole default of the Purchaser or the 2nd Vendor, the 2nd Disposal Agreement shall cease and determine and neither party shall have any obligations and liabilities thereunder and neither party shall take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof and the 2nd Vendor shall return the 2nd Deposit to the Purchaser within 10 Business Days upon termination of the 2nd Disposal Agreement.

ADJUSTMENT UNDER THE DISPOSAL AGREEMENTS

The 1st Vendor and the 2nd Vendor jointly and separately warrant to the Purchaser that they shall provide or procure the other vendor to provide an additional fund (the “**Additional Fund**”) in an aggregate sum of HK\$20,000,000 by way of shareholder’s loan to the Disposal Group prior to Completion in order to satisfy the working capital requirements of the Disposal Group. In the event that the 1st Vendor or the 2nd Vendor fails to provide the Additional Fund to the Disposal Group prior to Completion, such payment obligations shall be borne by the Purchaser, of which the Purchaser will be entitled to deduct a sum equivalent to the amount of the Additional Fund from the 1st Remaining Consideration and/or 2nd Remaining Consideration at Completion. For the avoidance of doubt, in the event that the 1st Vendor has provided the Additional Fund to the Disposal Group prior to Completion, the 2nd Vendor shall not be obliged to provide any additional fund to the Disposal Group and vice versa.

The 1st Vendor and the 2nd Vendor jointly and separately warrant to the Purchaser that the Aggregate NAV shall be in an amount of not less than HK\$25,000,000 (“**Guaranteed NAV**”). In the event that the Aggregate NAV as at the Completion Date is less than the Guaranteed NAV, the 1st Vendor or the 2nd Vendor shall pay to the Purchaser within 14 Business Days after the date of issue of the Completion Accounts a sum in cash equivalent to the shortfall between the Aggregate NAV and the Guaranteed NAV (the “**Shortfall**”) on a dollar-for-dollar basis, provided that if the Shortfall exceeds the Guaranteed NAV, the Purchaser shall only be entitled to a compensation of an amount up to the Guaranteed NAV. For the avoidance of doubt, in the event that the 1st Vendor has paid the Shortfall to the Purchaser, the 2nd Vendor shall not be obliged to pay any compensation to the Purchaser due to the Shortfall and vice versa.

INFORMATION OF THE BELVA GROUP

Belva is an investment holding company and the Belva Group is principally engaged in the wine and beverage trading business in the PRC.

Set out below are the unaudited turnover, net profit/(loss) before tax and net profit/(loss) after tax of the Belva Group for each of the two years ended 31 December 2012:

	For the year ended 31 December 2012	For the year ended 31 December 2011
	HK\$'000	HK\$'000
Turnover	-	-
Net profit/(loss) before tax	117	(1,574)
Net profit/(loss) after tax	117	(1,574)

The unaudited consolidated net liabilities value of the Belva Group was approximately HK\$1,292,000 as at 31 March 2013. The unaudited amount of the Belva Sale Loan was approximately HK\$12,603,000 as at 31 March 2013.

INFORMATION OF THE RICH VANTAGE GROUP

Rich Vantage is an investment holding company and the Rich Vantage Group is principally engaged in the operation of food and beverage outlets in the PRC.

Set out below are the unaudited turnover, net profit/(loss) before tax and net profit/(loss) after tax of the Rich Vantage Group for each of the two years ended 31 December 2012:

	For the year ended 31 December 2012	For the year ended 31 December 2011
	HK\$'000	HK\$'000
Turnover	20,466	-
Net profit/(loss) before tax	(7,954)	(3,322)
Net profit/(loss) after tax	(7,954)	(3,322)

The unaudited consolidated net liabilities value of the Rich Vantage Group was approximately HK\$13,673,000 as at 31 March 2013. The unaudited amount of the Rich Vantage Sale Loan was approximately HK\$30,490,000 as at 31 March 2013.

INFORMATION OF THE HOSANNA GROUP

Hosanna is an investment holding company and the Hosanna Group is principally engaged in the operation of karaoke outlets in the PRC.

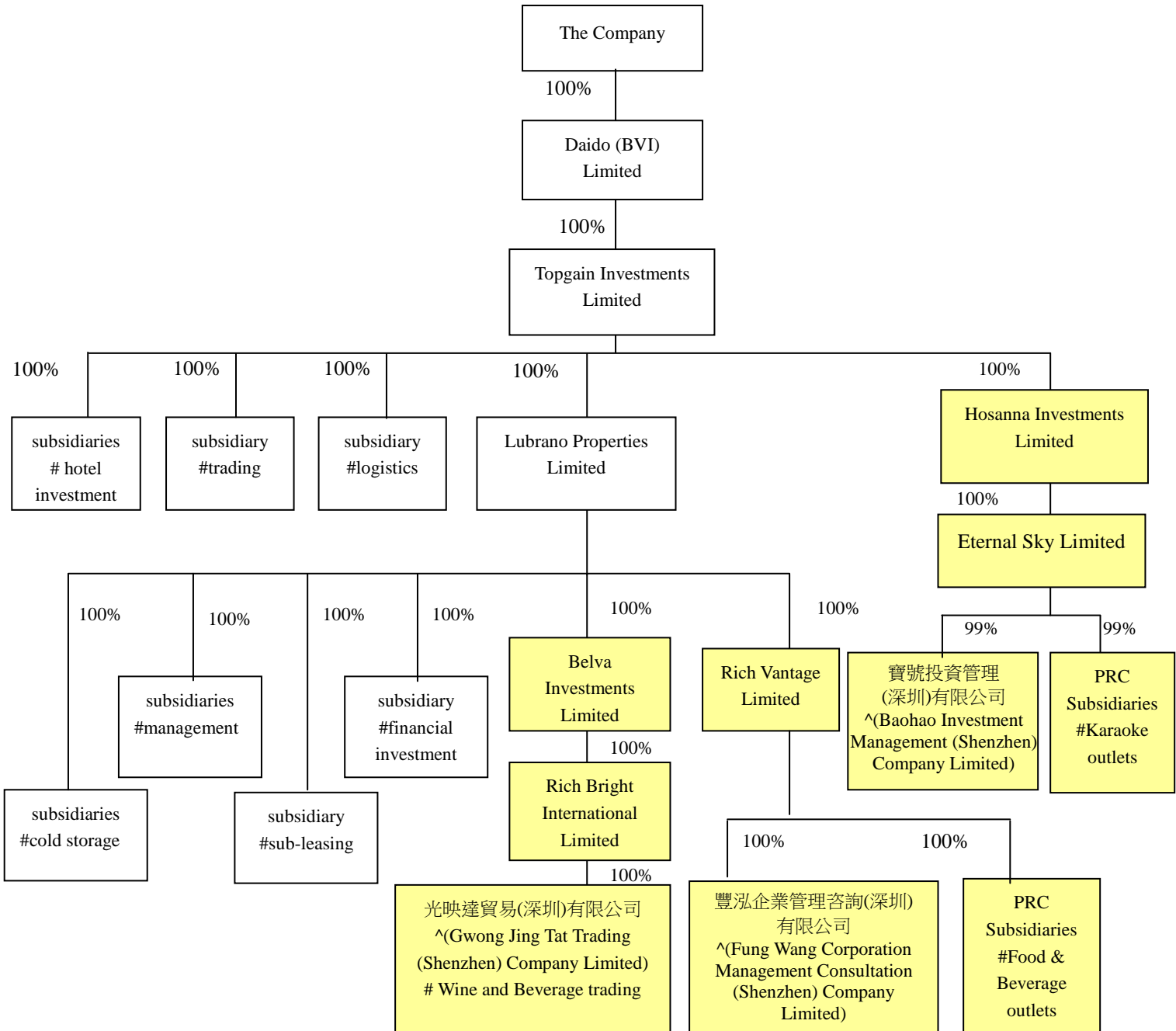
Set out below are the unaudited turnover, net profit/(loss) before tax and net profit/(loss) after tax of the Hosanna Group for each of the two years ended 31 December 2012:

	For the year ended 31 December 2012	For the year ended 31 December 2011
	HK\$'000	HK\$'000
Turnover	7,926	-
Net profit/(loss) before tax	(144,112)	(25,484)
Net profit/(loss) after tax	(144,112)	(25,484)

The unaudited consolidated net liabilities value of the Hosanna Group was approximately HK\$187,260,000 as at 31 March 2013. The unaudited amount of the Hosanna Sale Loan was approximately HK\$227,454,000 as at 31 March 2013.

GROUP STRUCTURE

The diagram below shows the structure of the Group and the ultimate shareholdings immediately before completion of the Disposals:

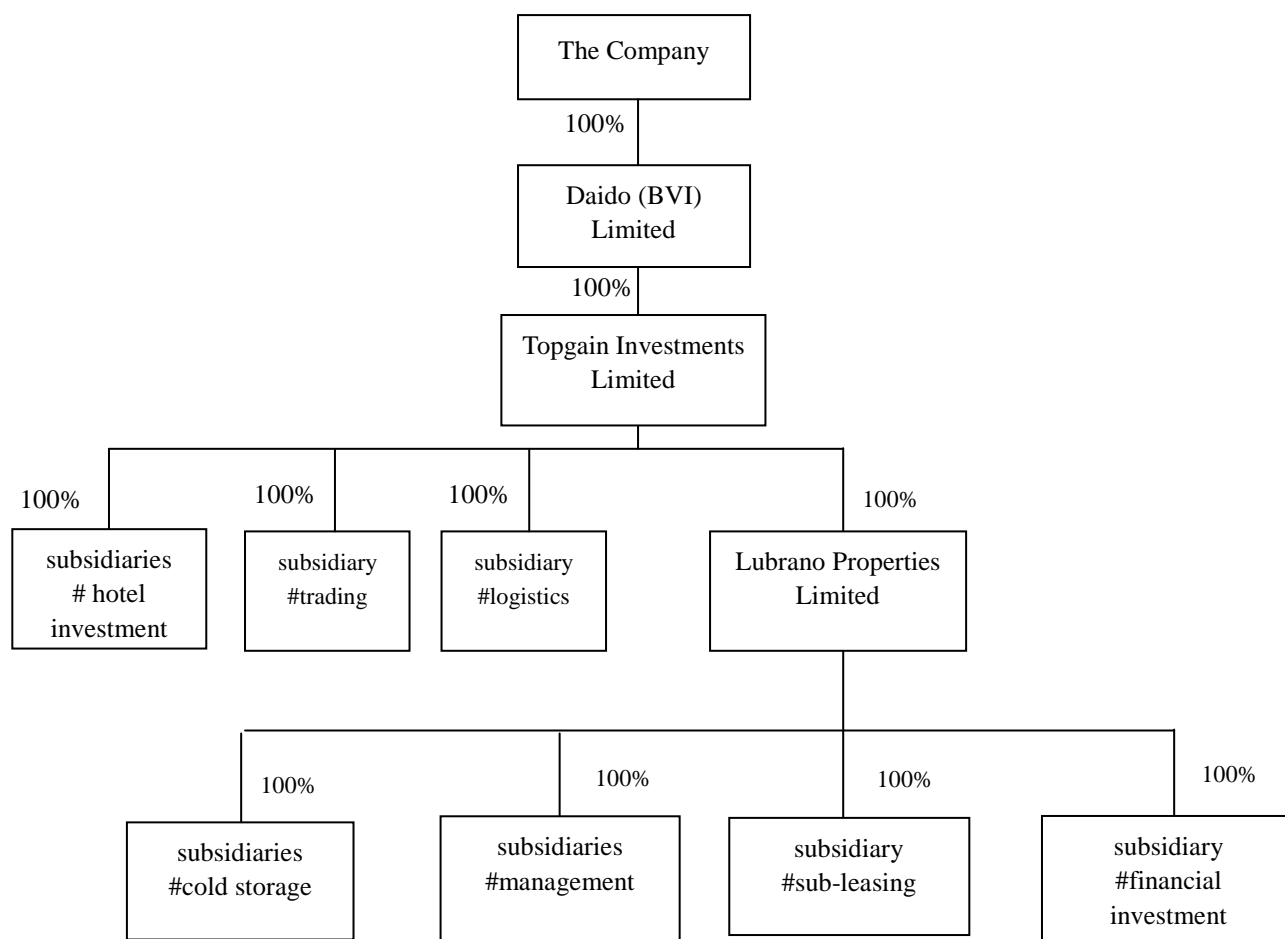


Keys : # denoting the principal activities of the subsidiaries

^The English transliteration of the Chinese names which for information only, and should not be regarded as the official English names of such Chinese names

the Disposal Group

The diagram below shows the structure of the Group and the ultimate shareholdings immediately after completion of the Disposals:



Key : # denoting the principal activities of the subsidiaries

REASONS FOR AND BENEFITS OF THE DISPOSALS AND USE OF PROCEEDS

The Group is principally engaged in the operation of cold storage and related services, investment holdings, as well as the operation of the karaoke outlets and related services in the PRC.

The Disposal Group is principally engaged in the operation of karaoke outlets, food and beverage outlets in the PRC as well as wine and beverage trading business in the PRC. Upon Completion, the Disposal Group will cease to be subsidiaries of the Company. As a result, the financial information of the Disposal Group will not be consolidated in the financial statements of the Group upon Completion.

In view of (i) the unsatisfactory loss-making results of the Disposal Group for the two years ended 31 December 2012; (ii) the Disposals not only allows the Group to exit from subsidizing the loss-making Disposal Group but also allows the Company, following the Completion, to free up its capital commitment and resources of the Group which would otherwise be required in the operation of the loss-making Disposal Group; (iii) there may have difficulties for the Company to find other potential buyers for the Disposal Group given its unsatisfactory financial performance, the Directors consider that the Disposals allows the Company to dispose of its non-profitable business and better allocate its resources to the Group's cold storage and related services.

Subject to confirmation of the auditors of the Company, it is expected that the Group will realize a loss of approximately HK\$38.9 million from the Disposals, which is calculated with reference to the difference between the net consideration of HK\$30 million (being the total consideration under the Disposals of HK\$50 million minus the Additional Fund of HK\$20 million which will be provided by the Purchaser or Vendor to the Disposal Group) and the sum of the aggregate unaudited adjusted net assets value of the Disposal Group as at 31 March 2013 of approximately HK\$68.9 million. The amount of the actual loss arising from the Disposals will be determined upon Completion depending on any adjustment of the consideration, if necessary, and therefore may be different from the amount mentioned above.

The Directors consider that the terms of the 1st Disposal Agreement and the 2nd Disposal Agreement are fair and reasonable and the Disposals are in the interest of the Company and the Shareholders as a whole.

The net proceeds from the Disposals (net of expenses and the Additional Fund) are approximately HK\$29.4 million and will be used as general working capital of the Group.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.22 of the Listing Rules, the 1st Disposal and the 2nd Disposal should be aggregated.

As the applicable ratio of the Disposals under Rule 14.07 of the Listing Rules exceeds 25% but is less than 75%, the Disposals, constitute major transactions on the part of the Company for the purpose of the Listing Rules and is subject to, among others, the approval of the Shareholders. A SGM will be convened to consider and, if thought fit, approve the Disposals and the transactions contemplated thereunder. As no Shareholder has a material

interest in the Disposals, none of the Shareholders is required to abstain from voting at the SGM.

A circular containing, among other things, further details of the Disposals and further information required under the Listing Rules will be dispatched to the Shareholders on or before 15 July 2013.

DEFINITIONS

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

“1st Disposal” the disposal of the Belva Sale Share, the Belva Sale Loan, the Rich Vantage Sale Share and the Rich Vantage Sale Loan subject to and upon the terms and conditions of the 1st Disposal Agreement

“1st Disposal Agreement” an agreement entered into between the 1st Vendor and the Purchaser in respect of the 1st Disposal

“1st Disposal Agreement Completion Date” the date falling the third Business Days after the date of fulfillment of the conditions set out in the 1st Disposal Agreement or such other date as the 1st Vendor and the Purchaser may agree

“1st Vendor” Lubrano Properties Limited, a company incorporated in the British Virgin Islands with limited liability, an indirectly wholly-owned subsidiary of the Company

“2nd Disposal” the disposal of the Hosanna Sale Share and the Hosanna Sale Loan subject to and upon the terms and conditions of the 2nd Disposal Agreement

“2nd Disposal Agreement” an agreement entered into between the 2nd Vendor and the Purchaser in respect of the 2nd Disposal

“2nd Disposal Agreement Completion Date” the date falling the third Business Days after the date of fulfillment of the conditions set out in the 2nd Disposal Agreement or such other date as the 2nd Vendor and the Purchaser may agree

“2nd Vendor”	Topgain Investments Limited, a company incorporated in the British Virgin Islands with limited liability, an indirectly wholly-owned subsidiary of the Company
“Aggregate NAV”	the sum of the Belva NAV, the Hosanna NAV and the Rich Vantage NAV (excluding the contingent liability arising from or in connection with the potential claims from relevant landlord(s), employee(s) and/or creditor(s) as a result of or in connection with the ceased operation of certain karaoke and food and beverage outlet(s) that may occur after the date of the 1st /2nd Disposal Agreement but prior to the Completion Date, if any)
“Belva”	Belva Investments Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of the Company
“Belva Completion Accounts”	the unaudited consolidated balance sheet of the Belva Group prepared in accordance with HKFRS as at the 1st Disposal Agreement Completion Date and the unaudited consolidated profit and loss account of the Belva Group prepared in accordance with HKFRS for the period from 1 April 2013 to the 1st Disposal Agreement Completion Date
“Belva Group”	Belva and its subsidiaries
“Belva NAV”	the unaudited net asset value of the Belva Group as shown in the Belva Completion Accounts after taking out the Belva Sale Loan
“Belva Sale Loan”	all obligations, liabilities and indebtedness owing or incurred by Belva Group to the Group (other than the Disposal Group) on or at any time prior to the completion of the 1st Disposal Agreement whether actual, contingent or deferred and irrespective of whether or not the same is due or payable on completion of the 1st Disposal Agreement and amounted to approximately

HK\$12,603,000 as at 31 March 2013

“Belva Sale Share”	1 ordinary share of US\$1.00 in the capital of Belva
“Board”	the board of Directors
“Business Day(s)”	any day(s) (not being a Saturday, a Sunday or a public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Daido Group Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the 1st Disposal or 2nd Disposal, as the case may be
“Completion Accounts”	together, the Belva Completion Accounts, the Hosanna Completion Accounts and the Rich Vantage Completion Accounts
“Completion Date”	1st Disposal Agreement Completion Date or 2nd Disposal Agreement Completion Date, as the case may be
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	director(s) of the Company
“Disposal Agreements”	collectively, the 1st Disposal Agreement and the 2nd Disposal Agreement
“Disposal Group”	together, the Belva Group, the Hosanna Group and the Rich Vantage Group
“Disposals”	collectively, the 1st Disposal and the 2nd Disposal
“Group”	the Company and its subsidiaries

“HKFRS”	the Hong Kong Financial Reporting Standards
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hosanna”	Hosanna Investments Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of the Company
“Hosanna Completion Accounts”	the unaudited consolidated balance sheet of the Hosanna Group prepared in accordance with HKFRS as at the 2nd Disposal Agreement Completion Date and the unaudited consolidated profit and loss account of the Hosanna Group prepared in accordance with HKFRS for the period from 1 April 2013 to the 2nd Disposal Agreement Completion Date
“Hosanna Group”	Hosanna and its subsidiaries
“Hosanna NAV”	the unaudited net asset value of the Hosanna Group as shown in the Hosanna Completion Accounts after taking out the Hosanna Sale Loan
“Hosanna Sale Loan”	all obligations, liabilities and indebtedness owing or incurred by Hosanna Group to the Group (other than the Disposal Group) on or at any time prior to the completion of the 2nd Disposal Agreement whether actual, contingent or deferred and irrespective of whether or not the same is due or payable on completion of the 2nd Disposal Agreement and amounted to approximately HK\$227,454,000 as at 31 March 2013
“Hosanna Sale Share”	1 ordinary share of US\$1.00 in the capital of Hosanna
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Golden Channel Limited, which is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding
“Rich Vantage”	Rich Vantage Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company
“Rich Vantage Completion Accounts”	the unaudited consolidated balance sheet of the Rich Vantage Group prepared in accordance with HKFRS as at the 1st Disposal Agreement Completion Date and the unaudited consolidated profit and loss account of the Rich Vantage Group prepared in accordance with HKFRS for the period from 1 April 2013 to the 1st Disposal Agreement Completion Date
“Rich Vantage Group”	Rich Vantage and its subsidiaries
“Rich Vantage NAV”	the unaudited net asset value of the Rich Vantage Group as shown in the Rich Vantage Completion Accounts after taking out the Rich Vantage Sale Loan
“Rich Vantage Sale Loan”	all obligations, liabilities and indebtedness owing or incurred by Rich Vantage Group to the Group (other than the Disposal Group) on or at any time prior to the completion of the 1st Disposal Agreement whether actual, contingent or deferred and irrespective of whether or not the same is due or payable on completion of the 1st Disposal Agreement and amounted to approximately HK\$30,490,000 as at 31 March 2013
“Rich Vantage Sale Share”	1 ordinary share of HK\$1.00 in the capital of Rich Vantage

“Sale Loan”	collectively the Belva Sale Loan, the Hosanna Sale Loan and the Rich Vantage Sale Loan
“Sale Shares”	collectively the Belva Sale Share, the Hosanna Sale Share and the Rich Vantage Sale Share
“SGM”	special general meeting to be convened and held by the Company to consider, and if thought fit, approve the Disposals and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent.

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

Hong Kong, 21 June 2013

As at the date of this announcement, the Board comprises executive directors, namely, Mr. Au Tat Wai, Mr. Choy Kai Sing, Mr. Chung Siu Wah, 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*