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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**

The Board is pleased to announce that:

- (i) on 23 April 2015, Mayfair Pacific Finance, an indirect wholly owned subsidiary of the Company, as lender and Company A as borrower entered into the Facility Letter A pursuant to which Mayfair Pacific Finance has agreed to grant the Loan A in the amount of HK\$24,000,000 to Company A for a term of 240 months from the date of making the advance.
- (ii) on 23 April 2015, Mayfair Pacific Finance as lender and Company B as borrower entered into the Facility Letter B pursuant to which Mayfair Pacific Finance has agreed to grant the Loan B in the amount of HK\$15,000,000 to Company B for a term of 36 months from the date of making the advance.

As the relevant percentage ratios upon the Facility Letter A and the Facility Letter B respectively exceed 5% but are less than 25%, the entering into of the Facility Letter A and the Facility Letter B respectively constitute a discloseable transaction for the Company under the Listing Rules.

The Board is pleased to announce that (i) on 23 April 2015, Mayfair Pacific Finance, an indirect wholly owned subsidiary of the Company, as lender and Company A as borrower entered into the Facility Letter A pursuant to which Mayfair Pacific Finance has agreed to grant the Loan A in the amount of HK\$24,000,000 to Company A for a term of 240 months from the date of making the advance; and (ii) on 23 April 2015, Mayfair Pacific Finance as lender and Company B as borrower entered into the Facility Letter B pursuant to which Mayfair Pacific Finance has agreed to grant the Loan B in the amount of HK\$15,000,000 to Company B for a term of 36 months from the date of making the advance. A summary of the principal terms of the Facility Letters is set out below.

## **THE FACILITY LETTER A**

- Date:** 23 April 2015
- Parties:** (1) Mayfair Pacific Finance as lender  
(2) Company A as borrower

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

Company A is a company incorporated in Hong Kong with limited liability. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Company A and its ultimate beneficial owner(s) are Independent Third Parties.

Pursuant to the Facility Letter A, Mayfair Pacific Finance has agreed to grant the Loan A in the amount of HK\$24,000,000 to Company A subject to and conditional upon the terms and conditions set out in the Facility Letter A.

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

- Principal:** HK\$24,000,000
- Interest rate:** 11% per annum
- Term:** 240 months commencing from the date of making the Loan A
- Security:** A first legal charge/mortgage in respect of property located in Hong Kong with a preliminary valuation on 23 April 2015 with an amount of approximately HK\$35,100,000.
- Guarantee:** Personal guarantee provided by Guarantor A and Guarantor B (Joint and Several) in favour of Mayfair Pacific Finance to secure the obligation of Company A. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Guarantor A and Guarantor B both are being an individual and an Independent Third Party.

The Company is of the view that based on the valuation, the security would be sufficient to cover the loan amount under the Facility Letter A. Based on the assessment of Mayfair Pacific Finance, after considering the past credit records and backgrounds of Company A, Guarantor A and Guarantor B in accordance with its credit policy, Mayfair Pacific Finance considers the credit risk relating to the entering into of the Facility Letter A is relatively low.

**Repayment:** Company A shall repay 240 monthly instalments of fixed amount HK\$247,725.21. The instalments will be credited first towards payment of interest due on the outstanding Loan A and then the balance of outstanding principal of the Loan A.

**Prepayment Administration Fee:** For the first 1-12 months, 1 % on the prepaid amount. Prepayment is only allowed in a minimum of HK\$500,000.

**Full Redemption Administration Fee:** For the first 1-12 months, 1% on the loan amount under the Facility Letter A.

### **THE FACILITY LETTER B**

**Date:** 23 April 2015

**Parties:** (1) Mayfair Pacific Finance as lender  
(2) Company B as borrower

Company B is a company incorporated in Hong Kong with limited liability. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Company B and its ultimate beneficial owner(s) are Independent Third Parties.

Pursuant to the Facility Letter B, Mayfair Pacific Finance has agreed to grant the Loan B in the amount of HK\$15,000,000 to Company B subject to and conditional upon the terms and conditions set out in the Facility Letter B.

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

**Principal:** HK\$15,000,000

**Interest rate:** 11% per annum

**Term:** 36 months commencing from the date of making the Loan B

**Security:** A second legal charge/mortgage in respect of property located in Hong Kong with preliminary valuation on 23 April 2015 with an amount of approximately HK\$34,600,000. The residual value of the property under collateral of the Loan B after deducting the outstanding first mortgage is higher than the principal amount of the Loan B.

**Guarantee:** Personal guarantee provided by Guarantor C in favour of Mayfair Pacific Finance to secure the obligation of Company B. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Guarantor C is an individual and an Independent Third Party.

The Company is of the view that based on the valuation, the security would be sufficient to cover the loan amount under the Facility Letter B. Based on the assessment of Mayfair Pacific Finance, after considering the past credit records and backgrounds of Company B and Guarantor C in accordance with its credit policy, Mayfair Pacific Finance considers the credit risk relating to the entering into of the Facility Letter B is relatively low.

**Repayment:** Company B shall draw and deposit with Mayfair Pacific Finance's solicitors 36 post-dated cheques of HK\$137,500 each and each one of such 36 cheques is for the payment of 1 month's interest and those cheques should be respectively post-dated for 36 calendar months running from 1 month after the date of making the Loan B and thereafter on the same of each succeeding calendar month until the end date of the 36th calendar month from the date of making the Loan B. Company B shall also draw and deposit with Mayfair Pacific Finance's solicitors a post-dated cheque (with the day of the end date of the 36th calendar month from the date of making the Loan B) for the repayment of the principal of the Loan B in the sum of HK\$15,000,000.

**Prepayment Administration Fee:** For the first 1-12 months, 1 % on the prepaid amount. Prepayment is only allowed in a minimum of HK\$500,000.

**Full Redemption Administration Fee:** For the first 1-12 months, 1% on the loan amount under the Facility Letter B.

## **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 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 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 FACILITY LETTERS**

The grant of the Loan A to Company A and the Loan B to Company B are 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 Facility Letters are negotiated on an arm's length basis between Mayfair Pacific Finance and the Borrowers with regarding to, among others, the financial background and repayment record of the Borrowers and the Guarantors. The terms of the Facility Letters 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 Company A and Company B 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 Facility Letters and the terms and conditions of the Facility Letters (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 upon the Facility Letter A and the Facility Letter B respectively exceed 5% but are less than 25%, the entering into of the Facility Letter A and the Facility Letter B respectively constitute a discloseable transaction for the Company under 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
“Borrowers”	Company A and Company B
“Company”	Daido Group Limited, a company incorporated in Bermuda with limited liability the issued Shares of which are listed on the Stock Exchange
“Company A”	a company incorporated in Hong Kong with limited liability, the borrower under the Facility Letter A and an Independent Third Party
“Company B”	a company incorporated in Hong Kong with limited liability, the borrower under the Facility Letter B and an Independent Third Party
“connected person”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company

“Facility Letter A”	the facility letter dated 23 April 2015 and entered into between Mayfair Pacific Finance as lender and Company A as borrower in respect of the Loan A
“Facility Letter B”	the facility letter dated 23 April 2015 and entered into between Mayfair Pacific Finance as lender and Company B as borrower in respect of the Loan B
“Facility Letters”	the Facility Letter A and the Facility Letter B
“Group”	the Company and its subsidiaries
“Guarantor A”	Under the Facility Letter A, a guarantor being an individual and an Independent Third Party
“Guarantor B”	Under the Facility Letter A, a guarantor being an individual and an Independent Third Party
“Guarantor C”	Under the Facility Letter B, a guarantor being an individual and an Independent Third Party
“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 A”	the secured loan in the principal amount of HK\$24,000,000 to be granted by Mayfair Pacific Finance to Company A under the Facility Letter A
“Loan B”	the secured loan in the principal amount of HK\$15,000,000 to be granted by Mayfair Pacific Finance to Company B under the Facility Letter B
“Loans”	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, 23 April 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*