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DAIDO GROUP LIMITED

大同集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00544)

SUPPLEMENTAL ANNOUNCEMENT FOR THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 AND THE INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2021

References are made to (i) the announcements of the Company dated 23 October 2020 and 6 November 2020 (the “**Subscription Announcements**”) regarding the subscription of new shares under general mandate; (ii) the annual report of the Company for the year ended 31 December 2020 (the “**2020 Annual Report**”) published on 23 April 2021; and (iii) the interim report of the Company for the six months ended 30 June 2021 (the “**2021 Interim Report**”) published on 9 September 2021. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Subscription Announcements, the 2020 Annual Report and the 2021 Interim Report.

In addition to the information already disclosed, the Board would like to provide supplemental information in relation to the use of net proceeds of approximately HK\$11.5 million (the “**Net Proceeds**”) raised from the Subscription.

As at 31 August 2021, a total amount of approximately HK\$11.2 million out of the Net Proceeds had been utilised by the Group according to the proposed application set out in the Subscription Announcements and the remaining balance of approximately HK\$0.3 million is expected to be utilised as intended.

The table below sets out the expected timeline for utilising the Net Proceeds and the status of utilisation of the Net Proceeds in accordance with the intended application as at 31 December 2020, 30 June 2021 and 31 August 2021:

Intended application of the Net Proceeds	Approximate percentage of Net Proceeds allocated	Approximate amount of Net Proceeds allocated	Amount utilised as at 31 December 2020	Amount utilised as at 30 June 2021	Amount utilised as at 31 August 2021	Expected timeline for utilising the Net Proceeds
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	
General working capital						
- Working capital and general corporate purposes	69%	7,922	-	5,834	7,568	Expected to be fully utilised on or before 31 March 2022
- Repayment of interest expense on bonds	31%	3,600	-	3,600	3,600	N/A
Total	100%	11,522	-	9,434	11,168	

The Board confirmed that (i) there was no material change or delay in the use of the Net Proceeds during the year ended 31 December 2020 and the six months ended 30 June 2021, and (ii) the above supplemental information does not affect other information contained in the 2020 Annual Report and the 2021 Interim Report and the contents of the 2020 Annual Report and the 2021 Interim Report remain unchanged.

By order of the Board
Daido Group Limited
Ho Hon Chung, Ivan
Executive Director

Hong Kong, 14 September 2021

As at the date of this announcement, the Board comprises executive directors, namely, Mr. Ho Hon Chung, Ivan and Mr. Fung Pak Kei; non-executive directors, namely, Mr. Au Tat Wai and 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*