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DAIDO GROUP LIMITED

大同集團有限公司*

(Incorporated in Bermuda and its members' liability is limited)

(Stock Code: 00544)

DISCLOSEABLE TRANSACTION IN RESPECT OF THE PROVISIONAL AGREEMENT

THE PROVISIONAL AGREEMENT

The Board announces that on 27 October 2025, DSL (being an indirect wholly-owned subsidiary of the Company) as tenant, and Union Ocean as landlord entered into the Provisional Agreement in respect of the Premises.

IMPLICATIONS UNDER THE LISTING RULES

In accordance with HKFRS 16 "Leases", the Group shall recognise the value of the right-of-use assets in connection with the leasing of the Premises under the Provisional Agreement in the Group's consolidated statement of financial position. Accordingly, the transaction contemplated under the Provisional Agreement is regarded as an acquisition of asset by the Group for the purpose of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the transaction contemplated under the Provisional Agreement calculated based on the unaudited value of the right-of-use assets to be recognised by the Group under the Provisional Agreement exceeds 5% but all of them are less than 25%, the transaction contemplated under the Provisional Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board announces that on 27 October 2025, DSL (being an indirect wholly-owned subsidiary of the Company) as tenant, and Union Ocean as landlord entered into the Provisional Agreement in respect of the Premises.

KEY TERMS OF THE PROVISIONAL AGREEMENT

Date:	27 October 2025
Parties:	(1) DSL, as tenant; and (2) Union Ocean, an Independent Third Party, as landlord.
Premises:	Room 2703 on 27th Floor, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong
Term:	Two (2) years, commencing from 1 December 2025 to 30 November 2027 (both days inclusive)
Rent:	HK$191,760 per month (exclusive of government rent and rates, and management fee)
Rent-free period:	For the periods from: (1) 1 December 2025 to 15 December 2025 (both days inclusive); and (2) 1 December 2026 to 15 December 2026 (both days inclusive).
Deposits:	HK$845,708, equivalent to four (4) months' rent and four (4) months' management fee
Total aggregated value of consideration payment:	Approximately HK$4.4 million in aggregate (exclusive of government rent and rates, and management fee) during the term from 1 December 2025 to 30 November 2027 (both days inclusive)
Formal Agreement:	Pursuant to the Provisional Agreement, the Formal Agreement shall be signed on or before 1 December 2025.

The rent payable by DSL under the Provisional Agreement was determined after arm's length negotiation between DSL and Union Ocean with reference to the prevailing market conditions and the prevailing market rent for properties of similar use, floor area and location.

The rent, management fee, government rent and rates, and other relevant expenses will be financed by the internal resources of the Group.

RIGHT-OF-USE ASSETS

Pursuant to HKFRS 16, as a result of entering into of the Provisional Agreement as tenant by DSL, the Group shall recognise an addition in right-of-use assets regarding its right to use the Premises. Therefore, the entering into of the Provisional Agreement is regarded as an acquisition of asset by the Group under the Listing Rules. The unaudited value of right-of-use assets recognised by the Group under the Provisional Agreement amounted to approximately HK$4.2 million.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PROVISIONAL AGREEMENT

In evaluating the options of renewal of the existing tenancy or leasing a new office, the Directors have carefully assessed various factors, including location, accessibility, operational efficiency, and long-term strategic alignment. The Directors consider that the Premises are located in the commercial zone in Admiralty, Hong Kong, which is easily accessible by various transportation. As such, the Directors are of the opinion that the relocation and the entering into the Provisional Agreement is in favour of the Group's future development.

The terms of the Provisional Agreement were determined after arm's length negotiation between the parties with reference to the prevailing market rent of comparable properties. The Directors are of the view that the Provisional Agreement was entered into in the ordinary and usual course of business of the Group, and the terms of the Provisional Agreement are fair and reasonable. As such, the entering into the Provisional Agreement is in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

The Company is an investment holding company and the Group is principally engaged in cold storage and related services business, and trading and sales of food and beverage business.

Union Ocean is principally engaged in property investment. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Union Ocean and its ultimate beneficial owners are Independent Third Parties independent of the Company and its connected persons.

IMPLICATIONS UNDER THE LISTING RULES

In accordance with HKFRS 16 "Leases", the Group shall recognise the value of the right-of-use assets in connection with the leasing of the Premises under the Provisional Agreement in the Group's consolidated statement of financial position. Accordingly, the transaction contemplated under the Provisional Agreement is regarded as an acquisition of asset by the Group for the purpose of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the transaction contemplated under the Provisional Agreement calculated based on the unaudited value of the right-of-use assets to be recognised by the Group under the Provisional Agreement exceeds 5% but all of them are less than 25%, the transaction contemplated under the Provisional Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

"Board"	the board of Directors
"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
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"DSL"	Diamond Sparkling Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
"Formal Agreement"	the formal agreement for the lease of the Premises, which will be signed on or before 1 December 2025 pursuant to the Provisional Agreement
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKFRS"	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	independent third party(ies), to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, who is/are not connected with the Company and its connected persons
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"Main Board"	the Main Board of the Stock Exchange
"Premises"	Room 2703 on 27th Floor, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong
"Provisional Agreement"	the provisional lease agreement dated 27 October 2025 and entered into between DSL as tenant and Union Ocean as landlord for the lease of the Premises
"Share(s)"	ordinary share(s) of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Union Ocean"	Union Ocean Investments Limited, a company incorporated in the British Virgin Islands with limited liability, being an Independent Third Party and the landlord of the Premises under the Provisional Agreement
"%"	per cent.

By order of the Board
Daido Group Limited
He Xinyu
Executive Director

Hong Kong, 27 October 2025

As at the date of this announcement, the Board comprises Executive Director, namely, Mr. He Xinyu; Non-executive Director, namely, Ms. Kwan Nga Chung; and Independent Non-executive Directors, namely, Mr. Leung Chi Hung, Ms. Li Dan and Mr. Lo Chi Wang.

* *For identification purpose only*