DAIDO GROUP LIMITED
大同集團有限公司*

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

(Stock Code: 00544)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

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On 27 April 2026 (after trading hours), the Company, as issuer, entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 5,802,208 Subscription Shares at the Subscription Price of HK$2.00 per Subscription Share under the General Mandate.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the date of Completion, the Shares under the Subscription Agreement represents (i) approximately 12.95% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 11.46% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares under the Subscription Agreement.

Completion of the Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

The Board is pleased to announce that on 27 April 2026 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber conditionally agreed to subscribe for and the Company conditionally agreed to allot and issue 5,802,208 Subscription Shares at the Subscription Price of HK$2.00 per Subscription Share under the General Mandate.

SUBSCRIPTION AGREEMENT

Subscription Agreement

Date: 27 April 2026

Parties:

(i) The Company, as issuer; and

(ii) Subscriber, as subscriber

The Subscriber

The Subscriber is a company incorporated in Hong Kong and is principally engaged in investment. It is ultimately beneficially owned as to 50% by LIU Weitao and 50% by DING Yi, respectively.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner(s) are Independent Third Parties. As at the date of this announcement, the Subscriber is not interested in any Shares.

Number of Subscription Shares

The 5,802,208 Subscription Shares represent approximately 12.95% of the existing issued share capital of the Company as at the date of this announcement and approximately 11.46% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, subject to the completion of the Subscription (assuming that there will not be any changes in the issued share capital of the Company save for the allotment and issue of the Subscription Shares). The aggregate nominal value of the Subscription Shares will be HK$580,220.80.

Subscription Price

The Subscription Price of HK$2.00 per Subscription Share represents:

(i) a premium of approximately 13.64% to the closing price of HK$1.76 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and

(ii) a premium of approximately 14.29% to the average of the closing prices of HK$1.75 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding to the date of the Subscription Agreement.

The net Subscription Price, after deduction of relevant expenses, is approximately HK$1.97 per Subscription Share.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber, taking into account, among others, the recent trading performance of the Shares. The Directors (including all independent non-executive Directors) consider that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Rights of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

General Mandate to issue the Subscription Shares

Pursuant to the General Mandate granted to the Directors at the AGM, the total number of new Shares that the Company is authorised to allot and issue is 5,802,208 Shares, representing 20% of the issued share capital of the Company as at the date of the AGM. Since the date of the AGM and up to the date of this announcement, no new Share has been allotted and issued by the Company under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares, and the issue of the Subscription Shares will not be subject to further approval by the Shareholders.

The issue of the Subscription Shares will fully utilise the General Mandate.

Conditions of the Subscription

The Subscription is conditional upon:

(A) the granting of approval by the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares which may only be subject to conditions as are customarily stipulated by the Stock Exchange for listing of shares, and such approval not having been revoked;

(B) in respect of the Subscription Agreement and the transactions contemplated thereunder, all necessary approvals and consents by government and regulatory authorities having been obtained, and all relevant regulatory requirements (including but not limited to those under the Listing Rules and all relevant regulatory requirements in Hong Kong) having been complied with and satisfied;

(C) no material adverse change or prospective material adverse change in the Group's business, operations, financial conditions or prospects has occurred since the date of the Subscription Agreement;

(D) the warranties given by the Company under the Subscription Agreement having remained true and accurate in all material respects;

(E) the warranties given by the Subscriber under the Subscription Agreement having remained true and accurate in all material respects; and

(F) the Subscriber having been satisfied with the results of the due diligence investigation on the business, assets, liabilities and financial position of the Company and having notified the Company of the same.

The Subscriber may at any time waive in writing condition (C), (D) and/or (F) and such waiver may be made subject to such terms and conditions as may be determined by the Subscriber. The Company may at any time waive in writing condition (E) and such waiver may be made subject to such terms and conditions as may be determined by the Company. All other conditions may not be waived.

As at the date of this announcement, no conditions have been fulfilled.

In the event that the conditions of the Subscription are not fulfilled or waived on or before 30 May 2026 (the "**Long Stop Date**") or such other date as may be agreed between the parties to the Subscription Agreement, the Subscription Agreement shall cease to have effect except in respect of any accrued rights and obligations of the parties and shall be without prejudice to the continued application of those clauses which are specified to the surviving termination under the Subscription Agreement.

Completion of the Subscription

Completion of the Subscription will take place on a Business Day on or before the Long Stop Date after the conditions of the Subscription are fulfilled (or such other date as may be agreed between the parties).

Completion of the Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

Application for listing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

REASONS FOR THE SUBSCRIPTION AGREEMENT AND USE OF PROCEEDS

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

As disclosed in the annual results announcement of the Company for the year ended 31 December 2025, the Group remained in a net liabilities position, primarily due to bonds payable of HK$67.5 million maturing within 12 months, which has raised concern over future liquidity. In response, the Directors consider the Subscription to be a justifiable fundraising measure under recent market conditions. The Subscription will enable the Group to meet forthcoming bond repayment obligations without utilising existing financial resources of the Group, thereby reducing liabilities, enhancing working capital, and strengthening the capital base and overall financial position.

The gross proceeds and net proceeds of the Subscription are approximately HK$11.60 million and HK$11.40 million, respectively. It is intended the net proceeds of the Subscription to be applied towards (i) approximately HK$10.21 million will be used for repayment of indebtedness of the Group; and (ii) approximately HK$1.19 million will be allocated for general working capital of the Group, including, but not limited to, staff costs, rental payments for offices and premises, and other administrative expenses. The Company expects to utilise such proceeds by the end of December 2026.

The Directors (including all independent non-executive Directors) consider that the Subscription Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Subscriber and that the terms of the Subscription Agreement (including the Subscription price) are fair and reasonable so far as the interests of the Company and the Shareholders as a whole are concerned.

EQUITY FUND-RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

The Company has conducted the following equity fund-raising activities in the past 12 months immediately before the date of this announcement.

Date of announcement/ circular	Fund-raising Activities	Net proceeds	Intended use of net proceeds	Actual use of net proceeds (as at the date of this announcement)
21 April 2025 (announcement)	Subscription of new Shares under the general mandate of the Company (completed on 21 and 22 July 2025)	HK$2.52 million	(i) repayment of indebtedness of the Group; and (ii) fund working capital of the Group (including staff salary and rental expenses)	Fully utilised as intended
21 April 2025 (announcement) and 27 June 2025 (circular)	Subscription of Convertible Bonds under the specific mandate of the Company (completed on 21 July 2025)	HK$40.67 million	(i) repayment of bank loan; and (ii) general working capital of the Group including staff cost and other office overhead for the year ending 31 December 2025	Fully utilised as intended
31 October 2025 (announcement) and 5 December 2025 (circular)	Subscription of new Shares under the specific mandate of the Company (completed on 31 December 2025)	HK$19.72 million	(i) repayment of bonds; and (ii) general working capital of the Group, including, but not limited to, staff costs, rental payments for offices and premises, and other administrative expenses	The Company expects to utilise such proceeds by the end of December 2026

Save as disclosed above, the Company had not conducted any equity fund-raising activities during the past twelve (12) months immediately preceding the date of this announcement.

CHANGES OF SHAREHOLDING STRUCTURE

The following table illustrates the shareholding structure of the Company: (i) as at the date of this announcement; (ii) immediately upon Completion of the Subscription but before any conversion of Convertible Bonds; and (iii) immediately after the full conversion of Convertible Bonds by the CB Holders (assuming that there are no other changes to the shareholding structure of the Company from the date of this announcement):

Shareholders	At the date of this announcement		Immediately upon Completion of the Subscription but before any conversion of Convertible Bonds *(Notes 1 & 2)*		Immediately after the full conversion of Convertible Bonds by the CB Holders *(Notes 1 & 2)*	
	Number of Shares	*Approximate percentage*	*Number of Shares*	*Approximate percentage*	*Numb er of Shares*	*Approximate percentage*
Current substantial shareholders						
Great Virtue Holding Limited *(Note 3)*	4,688,000	10.46%	–	–	–	–
Hong Kong Gold and Jewelry Accessories Group Limited	5,000,000	11.16%	–	–	–	–
Sub-total of current substantial shareholders	**9,688,000**	**21.62%**	–	–	–	–
CB Holders						
Providence Discovery Fund *(Notes 5 & 9)*	–	–	–	–	47,906,686	33.19%
Protoss Global Opportunities Fund *(Notes 4 & 9)*	–	–	–	–	31,243,491	21.64%
Mr. Bi Wei *(Notes 4 & 9)*	–	–	–	–	4,165,799	2.89%
Mr. Li Yuhang *(Notes 6 & 9)*	–	–	–	–	10,414,497	7.22%
Sub-total of CB Holders	–	–	–	–	**93,730,473**	**64.93%**
Subscriber *(Note 8)*	–	–	5,802,208	11.46%	5,802,208	4.02%

Shareholders	At the date of this announcement		Immediately upon Completion of the Subscription but before any conversion of Convertible Bonds *(Notes 1 & 2)*		Immediately after the full conversion of Convertible Bonds by the CB Holders *(Notes 1 & 2)*	
	Number of Shares	*Approximate percentage*	*Number of Shares*	*Approximate percentage*	*Numb er of Shares*	*Approximate percentage*
Other shareholders						
Great Virtue Holding Limited *(Note 3)*	–	–	4,688,000	9.26%	4,688,000	3.25%
Hong Kong Gold and Jewelry Accessories Group Limited *(Note 7)*	–	–	5,000,000	9.88%	5,000,000	3.46%
Voyage Capital Holdings Limited *(Note 6)*	1,500,000	3.35%	1,500,000	2.96%	1,500,000	1.04%
Mr. Bi Wei *(Note 4)*	2,901,104	6.47%	2,901,104	5.73%	2,901,104	2.01%
Providence Capital Group Limited *(Note 5)*	2,901,103	6.47%	2,901,103	5.73%	2,901,103	2.01%
Mr. Tsang Yik Hoi	2,023,231	4.51%	2,023,231	4.00%	2,023,231	1.40%
Other Shareholders	25,799,809	57.57%	25,799,809	50.97%	25,799,809	17.87%
Sub-total of other shareholders *(Notes 7, 8 & 9)*	**35,125,248**	**78.38%**	**44,813,247**	**88.54%**	**44,813,247**	**31.05%**
Total:	**44,813,247**	**100%**	**50,615,455**	**100%**	**144,345,928**	**100%**

Notes:

1. The above table is based on the assumption that none of the outstanding share options granted under the share option scheme adopted by the Company on 2 June 2015 and 30 May 2025 are exercised.

2. As at the date of this announcement, no conversion rights under the Convertible Bonds have ever been exercised.

3. The entire issued share capital of Great Virtue Holding Limited ("**Great Virtue**") is beneficially owned by Mr. William Waileung Kong, and therefore, Mr. William Waileung Kong is deemed to be interested in the same number of Shares in which Great Virtue is interested under provisions of the SFO. Great Virtue will become a public shareholder of the Company in the event that its interest is reduced to below 10% as a result of the completion of the Subscription.

4. The ultimate beneficial owner of Protoss Global Opportunities Fund is Mr. Bi Wei.

5. The investment manager of Providence Discovery Fund is Providence Capital Group Limited.

6. The ultimate beneficial owner of Voyage Capital Holdings Limited is Mr. Li Yuhang. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Mr. Li Yuhang is one of the CB holders, who directly hold the Convertible Bonds which can be converted into 10,414,497 Shares.

7. Hong Kong Gold and Jewelry Accessories Group Limited will become a public shareholder of the Company in the event that its interest is reduced to below 10% as a result of the completion of the Subscription.

8. The Subscriber will become a public shareholder of the Company in the event that its interest is reduced to below 10% as a result of the full conversion of the Convertible Bonds.

9. Pursuant to the terms of the Convertible Bonds, the Company is not obliged to adjust the conversion price or issue Shares in satisfaction of the conversion rights attached to the Convertible Bonds in breach of the Company's obligations under the Listing Rules (including but not limited to the minimum public float requirement of the Listing Rules) or in breach of the Takeovers Code. Accordingly, the conversion of the Convertible Bonds is subject to the conditions that the conversion will not result in any breach of the minimum public float requirements under Rule 8.08(1)(a) of the Listing Rules or the Takeovers Code. The Convertible Bonds will not be converted if it results or will result in the holders of the Convertible Bonds (or any of its parties acting in concert with it within the meaning of the Takeovers Code) being obliged to make a mandatory offer for all the Shares under the Takeovers Code unless (i) the mandatory offer obligations under the Takeovers Code have been complied with; or (ii) prior approval or waiver from the Executive of the Securities and Futures Commission, and (where so required) approval of the whitewash waiver by the Shareholders, have been obtained in accordance with the requirements of the Takeovers Code (and where any conditions to which such approval or waiver is subject are duly complied with).

10. The issue of the Subscription Shares will not trigger any adjustment to the conversion price under the terms of the Convertible Bonds.

11. The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

DEFINITIONS

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

"AGM"	the annual general meeting of the Company convened and held on 29 May 2025 to approve, among other things, the grant of the General Mandate
"Board"	the board of Directors

"Business Day"	a day (not being a Saturday, Sunday, public holiday in Hong Kong or any day on which a tropical cyclone warning no. 8 or above, a "black" rainstorm warning or "extreme conditions" announced by the Government of Hong Kong is in force in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which 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"	the completion of the Subscription in accordance with the terms and conditions set out in the Subscription Agreement
"connected person(s)"	has the meaning ascribed to this term under the Listing Rules
"CB Holder(s)"	the holder(s) of the Convertible Bonds
"Convertible Bonds"	the unlisted convertible bonds in aggregate principal amount of HK$45,000,000 issued by the Company to the CB Holders on 21 July 2025 pursuant to the convertible bonds subscription agreements dated 20 April 2025, details of which are set out in the Company's circular dated 27 June 2025
"Directors"	directors of the Company
"General Mandate"	the general mandate granted to the Directors at the AGM to allot, issue and deal with Shares
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"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 not connected persons of the Company and are third parties 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
"PRC"	the People's Republic of China

"SFO"	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.1 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber"	China Agricultural Science International Holding Co., Limited, a company incorporated in Hong Kong with limited liability
"Subscription"	the subscription for the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
"Subscription Agreement"	the conditional agreement dated 27 April 2026 and entered into between the Company and Subscriber in respect of the Subscription
"Subscription Price"	the subscription price of HK$2.00 per Subscription Share
"Subscription Shares"	an aggregate of 5,802,208 new Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
"Takeovers Code"	the Code on Takeovers and Mergers
"HK$"	Hong Kong dollars, the lawful currency for the time being of Hong Kong
"%"	per cent.

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

Hong Kong, 27 April 2026

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 purposes only*