

DACHAN FOOD (ASIA) LIMITED

(大成食品(亞洲)有限公司)

(THE "COMPANY")

TERMS OF REFERENCE OF THE EXECUTIVE COMMITTEE

(Adopted on 14 December 2007)

(Revised version approved by the Board at the Board Meeting on 12 March 2010)

(Revised version approved by the Board at the Board Meeting on 16 December 2016)

(Further revised pursuant to the resolution of the Board passed at the Board Meeting held on 22 March 2019)

1. Constitution

The board (the "Board") of directors of the Company (the "Directors") has resolved to establish a committee known as the Executive Committee (the "Executive Committee").

2. Membership

2.1. Members of the Executive Committee ("Members", each a "Member") shall be appointed by the Board from amongst the executive directors and senior management of the Company only. The Executive Committee shall consist of not more than seven (7) Members, which include the executive Directors, the chief operation officer or the chief finance officer of the Company and other senior management of the Company appointed by the Board or the chairman (the "Chairman") of the Executive Committee. The Board may, from time to time, at their discretion, revoke the setting up of the Executive Committee or the appointment of any members thereof.

2.2. The Chairman of the Executive Committee shall be the Chairman of the board.

2.3. The secretary of the Executive Committee shall be appointed by the Board.

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2.4. The appointment of the members and secretary of the Executive Committee may be revoked, or additional members may be appointed to the Executive Committee by separate resolutions passed by the Board.

3. Quorum

The quorum necessary for the transaction of the business of the Executive Committee shall be three members of the Executive Committee of which one must be an executive Director.

4. Proceedings of the Executive Committee

4.1. Unless otherwise agreed by all the Members, a meeting of the Executive Committee (the "Meeting") shall be called by at least three (3) days' notice.

4.2. Member may and, on the request of a Member, the secretary of the Executive Committee shall, at any time summon a Meeting. Notice shall be given to each Member orally in person or in writing or by telephone or by facsimile transmission.

4.3. Notice of Meeting shall state the time and place of the Meeting and shall be accompanied by an agenda together with other documents which may be required to be considered by the Members for the purposes of the Meeting.

5. Frequency of meetings

The Executive Committee shall meet when necessary for the proper discharge of its duties.

6. Voting

Resolutions of the Executive Committee at any Meeting shall be passed by a majority of votes of the Members present.

7. Others

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Meetings could be held in person, by telephone or by video conference. Members may participate in a Meeting by means of a conference telephone or similar communication equipment by means of which all persons participating in the Meeting are capable of hearing each other.

8. Written resolutions

Resolutions may be passed by all Members in writing.

9. Reporting procedures

Draft versions of minutes of the Meetings shall be circulated to all Members for their comment within a reasonable period of time after each Meeting. The secretary of the Executive Committee shall circulate final version minutes of Meetings and all written resolutions of the Executive Committee to all members of the Board within a reasonable period of time after each meeting.

10. Powers and duties

SUBJECT TO THE MATTERS RESERVED FOR THE BOARD'S DETERMINATION, the Executive Committee has the following powers (with power of delegation) and duties:

General

- 10.1. In respect of any matters requiring the Board's approval, to formulate, decide and approve such report, proposal and/or recommendation for the Board's review, determination or approval;
- 10.2. To carry out any duties as the Board may delegate from time to time;
- 10.3. To approve any routine matters or matters concerning day-to-day operation of the Company together with its subsidiaries (the "Group");

Corporate Strategy

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- 10.4. To implement the strategic plans and long-term objectives as approved by the Board;
- 10.5. To approve establishment of subsidiaries or joint ventures with the investment by the Group not exceeding RMB25 million;
- 10.6. To monitor the performance of all business units and ensuring that all necessary corrective actions have been taken;

Corporate Planning and Policies

- 10.7. To implement the annual business plan, operating and capital expenditure budgets of the Company as approved by the Board;
- 10.8. To implement any policy change as approved by the Board;
- 10.9. To approve minor changes to the policies adopted by the Board;

Corporate Structure

- 10.10. To implement any change to corporate structure as approved by the Board;

Transactions and Contracts

- 10.11. To approve capital and revenue expenditure or divestment which of an amount not exceeding RMB25 million;
- 10.12. To approve mergers and acquisitions of assets or securities of value of amounts not exceeding RMB25 million;
- 10.13. To approve investment and disinvestments of securities or assets that are valued not exceeding 5% of the then net asset value of the Group or less than RMB25 million, whichever is the lower;
- 10.14. To approve entering into any connected transactions not requiring disclosure under the Listing Rules;

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Financial Matters

Finance

- 10.15. To approve any single incurrence of indebtedness not exceeding 5% of the then total asset value of the Group or of an amount not exceeding RMB25 million, whichever is the lower;
- 10.16. To approve any lending between any members of the Group;
- 10.17. To approve banking arrangements involving an amount not exceeding 5% of the then total asset value of the Group or of an amount not exceeding RMB25 million, whichever is the lower;
- 10.18. To implement the issue of debentures or loan stock as approved by the Board;
- 10.19. To approve opening and closure of bank accounts of the Company, change of signatories or operation manner of such bank accounts;

Financial Reporting and Financial Controls

- 10.20. To finalize announcements in relation of the financial statements of the Company incorporated therewith comments made by the Board;
- 10.21. To implement group finance and treasury policies as approved by the Board;
- 10.22. To approve accounting policies or practices concerning day to day operation;

Internal Controls

- 10.23. To oversee and monitor the internal control in accordance with the internal control system approved by the Board;

Human Resources and Remuneration

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- 10.24. To approve appointment and removal of personnel and their remuneration packages other than certain senior management which are reserved for Board's decision;
- 10.25. To implement the emolument and remuneration policy adopted by the Board and to approve minor modifications thereto;
- 10.26. To implement the share option scheme of the Company including the issuance new shares pursuant to any commitment approved by the Board;

Corporate Governance and Communication

- 10.27. To formulate for the Board's review the Group's overall corporate governance policy and investor relation policy;
- 10.28. To approve minor modifications to the statement for inclusion in Corporate Governance Report as approved by the Board;
- 10.29. To approve publication of price sensitive information in timely manner if required by Listing Rules or statutory requirements;
- 10.30. To implement the communication policy with institutional and private shareholders and other stakeholders as approved by the Board;
- 10.31. To approve press release concerning matters decided by the Board; and

Delegation

- 10.32. To establish sub-committees for implementation of delegated tasks.

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