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## **DACHAN FOOD (ASIA) LIMITED**

**大成食品(亞洲)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3999)**

### **ADOPTION OF OPERATIONAL PROCEDURE FOR MAKING ADVANCE TO A RELATED ENTITY**

#### **ADOPTION OF THE ADVANCE PROCEDURE**

The Company is a subsidiary of Great Wall Enterprise which having its shares listed on the Taiwan Stock Exchange Corporation. According to the relevant rules and regulations under Taiwan Securities and Exchange Act, the Company is required to adopt an operational procedure for making advance to a Related Entity at a Shareholder's general meeting. Pursuant to the Advance Procedure, the maximum amount of advance to a Related Entity must not exceed 40% of the net asset value as reported in the latest financial statement of the Company. Before making any advance, the Company must perform necessary financial due diligence in respect of the advance, including but not limited to perform detailed assessment on the risk for making the advance. Further, pursuant to the Advance Procedure, any advance made to the Company's subsidiary should be approved by the executive committee of the Board whilst any advance made to the Related Entity other than the Company's subsidiaries should be approved by the Board.

#### **GENERAL INFORMATION**

A circular containing, among other things, further details of the adoption of the Advance Procedure will be despatched to the Shareholders within 21 days after the publication of this announcement.

## **OPERATIONAL PROCEDURE FOR MAKING AN ADVANCE**

The Company is a subsidiary of Great Wall Enterprise which having its shares listed on the Taiwan Stock Exchange Corporation. According to the relevant rules and regulations under Taiwan Securities and Exchange Act, the Company is required to adopt an operational procedure for making advance to a Related Entity at a Shareholder's general meeting. Pursuant to the Advance Procedure, the maximum amount of advance to a Related Entity must not exceed 40% of the net asset value as reported in the latest financial statement of the Company. Before making any advance, the Company must perform necessary financial due diligence in respect of the advance, including but not limited to perform detailed assessment on the risk for making the advance. Further, pursuant to the Advance Procedure, any advance made to the Company's subsidiary should be approved by the executive committee of the Board whilst any advance made to the Related Entity other than the Company's subsidiaries should be approved by the Board.

The Board considers that the adoption of the Advance Procedure represents a good internal control measure for the Group.

As far as the Directors are aware, no Shareholder is required to abstain from voting in relation to the adoption of the Advance Procedure at the EGM.

## **GENERAL**

A circular containing, among other things, further details of the adoption of the Advance Procedure will be despatched to the Shareholders within 21 days after the publication of this announcement.

## **DEFINITIONS**

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

“Advance Procedure”	the operational procedure for making an advance to a Related Entity, which will be considered at the EGM
“Board “	the board of Directors
“Company”	DaChan Food (Asia) Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 3999)
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened to consider and approve, among the other things, the adoption of the Advance Procedure

“Great Wall Enterprise”	Great Wall Enterprise Co., Ltd. (大成長城企業股份有限公司), an enterprise established under the laws of Taiwan, whose shares are listed on the Taiwan Stock Exchange (stock code: 1210), which is a substantial shareholder of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China, which for the purposes of this announcement only (unless otherwise indicated) excludes Hong Kong, Macau and Taiwan
“Related Entity”	includes (i) the Company’s subsidiary and (ii) the entity which has business relationship with the Group and in need of short-term advance
“Shareholders”	holders of share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**Dachan Food (Asia) Limited**  
**Han Jia-Hwan**  
*Chairman*

Hong Kong, 23 April 2010

*As at the date of this notice, the board of Directors comprises Mr. Han Jia-Hwan (Chairman), Mr. Chen Fu-Shih and Mr. Edward Shu Cho-Shen, being the executive Directors, Mr. Chao Tien-Shin, Mr. Han Chia-Yau, Mr. Harn Jia-Chen and Mr. Nicholas William Rosa, being the non-executive Directors, and Dr. Chen Chih, Mr. Liu Fuchun and Mr. Way Yung-Do, being the independent non-executive Directors.*