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DACHAN FOOD (ASIA) LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3999)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company (the “AGM”) will be held at 14:30 on 29 June 2012, (Friday) at Lotus Room, 6th Floor, Marco Polo Hong Kong Hotel, No. 3 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements and the reports of the directors of the Company (“Directors”) and the independent auditors of the Company (“Auditors”) for the year ended 31 December 2011.
2. To re-appoint Messrs. KPMG as the Auditors and to authorise the board of Directors to fix their remuneration.
3. To declare a final dividend of 9.00 HK cents per ordinary shares of the Company to be paid to the shareholders of the Company whose names appear on the register of members of the Company on 9 July 2012 (Monday).
4. To elect the newly appointed Directors.
5. To re-elect the retiring Directors.
6. To re-elect the Director who hold office until the conclusion of the AGM.
7. To authorise the board of Directors to fix the Directors’ remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions (with or without modification) as ordinary resolutions:

8. **“THAT**

- (a) a general mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to allot, issue and deal with unissued shares in the Company (“Shares”) or securities convertible into Shares or options, warrants or similar rights to subscribe for any Shares or such convertible securities and to make or grant offers, agreements or options which would or might require the exercise of such powers either during or after the Relevant Period, in addition to any Shares which may be issued from time to time (a) on a Rights Issue (as hereinafter defined) or (b) upon the exercise of any options under any option scheme or similar arrangement for the time being adopted for the grant or issue of Shares or rights to acquire Shares or (c) upon the exercise of rights of subscription or conversion attaching to any warrants or convertible bonds issued by the Company or any securities which are convertible into Shares the issue of which warrants and other securities has previously been approved by shareholders of the Company or (d) as any scrip dividend or similar arrangements pursuant to the articles of association of the Company, not exceeding twenty per cent of the issued share capital of the Company as at the date of this resolution; and

for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- i. the conclusion of the next annual general meeting of the Company;
- ii. the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; and
- iii. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;

and “Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractions entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or of the requirements of any recognized regulatory body or any stock exchange applicable to the Company).”

9. **“THAT** there be granted to the Directors an unconditional general mandate to repurchase Shares, and that the exercise by the Directors of all powers of the Company to purchase Shares subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved, subject to the following conditions:
- (a) such mandate shall not extend beyond the Relevant Period;
 - (b) such mandate shall authorize the Directors to procure the Company to repurchase Shares at such price as the Directors may at their discretion determine;
 - (c) the Shares to be repurchased by the Company pursuant to paragraph (a) of this resolution during the Relevant Period shall be no more than ten per cent of the Shares in issue at the date of passing this resolution; and
 - (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - i. the conclusion of the next annual general meeting of the Company;
 - ii. the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; and
 - iii. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
10. **“THAT**, subject to the availability of unissued share capital and conditional upon the resolutions nos. 8 and 9 above being passed, the number of Shares which are repurchased by the Company pursuant to and in accordance with resolution no. 9 above shall be added to the number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with resolution no. 8 above.”

SPECIAL RESOLUTION

To consider and, if thought fit, to pass the following resolution as special resolution:

11. **“THAT**, the articles of association of the Company (“Articles”) be and are hereby amended in the following manner:
- (i) By adding the following new definition in Article 1(b) in alphabetical order:

““business day(s)” shall mean any day on which HK Stock Exchange is generally open for the business of dealing in securities. For the avoidance of doubt, where HK Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal or black rainstorm warning, such day shall for the purposes of these Articles be counted as a business day.”

- (ii) By deleting the existing definition of Special Resolution in Article 1(c) in its entirety and substituting therefor the following:

“(c) At all times during the Relevant Period, a resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Shareholders as, being entitled so to do, vote in person or, in the case of such Shareholders as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 65.”

- (iii) By deleting the existing definition of Ordinary Resolution in Article 1(d) in its entirety and substituting therefor the following:

“(d) A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of votes cast by such Shareholders as, being entitled so to do, vote in person or, in the case of any Shareholder being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 65.”

- (iv) By deleting the existing Article 65 in its entirety and substituting therefor the following:

“65. An annual general meeting shall be called by notice in writing of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any extraordinary general meeting at which the passing of a Special Resolution is to be considered shall be called by notice in writing of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other extraordinary general meetings may be called by notice in writing of not less than fourteen (14) clear days and not less than ten (10) clear business days. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day, the hour and the agenda of meeting and particulars of the resolutions to be considered at that meeting and in case of special business (as defined in Article 67), the general nature of that business, and shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:—

- (a) in the case of a meeting called as the annual general meeting, by all the Shareholders entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the Shares giving that right.”

(v) By deleting the existing Article 72 in its entirety and substituting therefor the following:

“72. (a) At any general meeting a resolution put to the vote of a meeting shall be decided by way of a poll save that the Chairman may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to the Shareholders; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Shareholders a reasonable opportunity to express their views.

(b) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded by:

(i) at least 2 Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or

(ii) any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or

(iii) any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right; or

(iv) by any Director or Directors who, individually or collectively, hold proxies in respect of the Shares representing five percent (5%) or more of the total voting rights of all the Shareholders having the right to vote at such meeting.”

(vi) By deleting the existing Article 73 in its entirety and substituting therefor the following:

“73. Where a resolution is voted on by a show of hands, unless a poll is demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the book containing the proceedings of the minutes of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.”

(vii) The following sentence is proposed to be added in the tenth line of the existing Article 74 immediately after the words “whichever is the earlier”:

“74. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of HK Stock Exchange.”

(viii) By deleting the existing Article 75 in its entirety and substituting therefor the following:

“75. Any poll required or demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.”

(ix) By deleting the existing Article 86 in its entirety and replacing it with the following:

“86. No appointment of a proxy shall be valid unless it names the person appointed and his appointor. The Board may, unless it is satisfied that the person purporting to act as proxy is the person named in the relevant instrument for his appointment and the validity and authenticity of the signature of his appointor, decline such person’s admission to the relevant meeting, reject his vote and no Shareholder who may be affected by any exercise by the Board of its power in this connection shall have any claim against the Directors or any of them nor may any such exercise by the Board of its powers invalidate the proceedings of the meeting in respect of which they were exercised or any resolution passed or defeated at such meeting.”

(x) By deleting Article 107(c) in its entirety and replacing it with the following:

“(c) A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his Associate(s) has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters namely:–

(i) the giving of any security or indemnity either:

(a) to the Director or his Associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

(b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his Associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his Associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

- (iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
- (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his Associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his Associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his Associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (iv) any contract or arrangement in which the Director or his Associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/ their interest in shares or debentures or other securities of the Company.””

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

Hong Kong, 26 April 2012

Notes:

1. A member of the Company who is a holder of two or more Shares, and who is entitled to attend and vote at the AGM is entitled to appoint more than one proxy or a duly authorized corporate representative to attend and vote in his stead. A proxy needs not be a member of the Company. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the AGM and any adjournment thereof should he so wish. In such event, his form of proxy will be deemed to have been revoked.
2. A form of proxy for the AGM is enclosed with the Company's circular dated 26 April 2012. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with a valid power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26/F., Tesbury Centre, 28 Queen's Road Central, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
3. The Hong Kong branch register of members of the Company will be closed from 28 June 2012 (Thursday) to 29 June 2012 (Friday) (both dates inclusive), for the purposes of determining the entitlements of the members of the Company to attend and vote at the AGM. No transfers of Shares may be registered during the said period. In order to qualify for the aforesaid entitlements, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 27 June 2012, (Wednesday).

4. The Hong Kong branch register of members of the Company will be closed from 6 July 2012 (Friday) to 9 July 2012 (Monday) (both dates inclusive), for the purposes of determining the entitlements of the members of the Company to the proposed final dividend upon passing of resolution no. 3 set out in this notice. No transfers of Shares may be registered during the said period. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 5 July 2012, (Thursday).
5. With regard to resolutions no. 8 above, the Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the general mandate to be granted under resolution no. 8 above.

As at the date of this notice, Mr. Han Jia-Hwan (Chairman), Mr. Han Chia-Yin and Ms. Chen Li-Chin are the executive Directors, Mr. Han Chia-Yau, Mr. Harn Jia-Chen, Mr. Nicholas William Rosa and Mr. Chao Tien-Shin are the non-executive Directors, and Mr. Way Yung-Do, Mr. Liu Fuchun and Dr. Chen Chih are the independent non-executive Directors.