
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect about this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in **DACHAN FOOD (ASIA) LIMITED**, you should at once hand this circular and proxy form enclosed in this document to the purchaser or transferee or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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DACHAN FOOD (ASIA) LIMITED

大成食品(亞洲)有限公司

(the "Company")

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3999)

(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
(2) RE-ELECTION OF DIRECTORS
AND
(3) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of DaChan Food (Asia) Limited to be held at Xiamen Suites I-II, 3/F., Prince Hotel, Harbour City, Kowloon, Hong Kong on 23 June 2017, Friday, at 2:00 p.m. (Hong Kong time) is set out on pages 15 to 18 of this circular.

Whether or not you are able to attend the annual general meeting, please complete the accompanying form of proxy in accordance with the instructions printed on the form and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the annual general meeting or any adjournment of such meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment of such meeting should you so wish.

28 April 2017

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Xiamen Suites I-II, 3/F., Prince Hotel, Harbour City, Kowloon, Hong Kong, on 23 June 2017, Friday, at 2:00 p.m. (Hong Kong time) for the purpose of considering and, if thought fit, approving the resolutions proposed in the AGM Notice
“AGM Notice”	the notice dated 28 April 2017 for convening the AGM and included in this circular
“Articles”	the articles of association of the Company as amended from time to time
“associate”	has the meaning ascribed to it in Rule 1.01 of the Listing Rules
“Auditors”	means the auditors of the Company for the time being
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Business Day”	a day (other than Saturdays and days on which a tropical cyclone warning No.8 or above or a “black rainstorm warning signal” is issued in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“close associate”	has the meaning ascribed to it under the Listing Rules
“Company”	DaChan Food (Asia) Limited (大成食品(亞洲)有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3999)
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company (including executive Directors, non-executive Directors and independent non-executive Directors)

DEFINITIONS

“Executive Committee”	the executive committee of the Company
“General Mandate”	a general mandate to the Directors to allot and issue such number of Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of approval of the mandate
“General Extension Mandate”	a general mandate to the Directors to add to the General Mandate any Shares representing the number of Shares repurchased under the Repurchase Mandate
“Great Wall Enterprise”	Great Wall Enterprise Co. Ltd., a joint stock company established under the laws of the Republic of China, the shares of which are listed on the Taiwan Stock Exchange Corporation, and the ultimate controlling shareholder of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“inside information”	has the meaning ascribed to it in Part XIVA of the SFO
“Latest Practicable Date”	21 April 2017, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Model Code”	the Appendix 10 to the Listing Rules titled “Model Code for Securities Transactions by Directors of Listed Issuers”
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this circular
“RMB”	Renminbi, the lawful currency in the People’s Republic of China;

DEFINITIONS

“Repurchase Mandate”	a general mandate to the Directors to repurchase such number of Shares not exceeding 10% of the aggregate number of the issued Shares as at the date of approval of the mandate
“Remuneration Committee”	the remuneration committee of the Company
“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
“subsidiary”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong
“trading day”	has the same meaning as ascribed to “business day” in Rule 1.01 of the Listing Rules
“%”	per cent

LETTER FROM THE BOARD



DACHAN FOOD (ASIA) LIMITED

大成食品(亞洲)有限公司

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3999)

Executive Directors:

Mr. Han Jia-Hwan (*Chairman*)

Mr. Han Chia-Yin

Non-Executive Director:

Mr. Han Chia-Yau

Mr. Harn Jia-Chen

Mr. Chao Tien-Shin

Independent Non-executive Directors:

Mr. Way Yung-Do

Mr. Chen Chih

Mr. Wei Anning

Registered office:

Clifton House

75 Fort Street

George Town

P.O. Box 1350

Grand Cayman KYI-1108

Cayman Islands

Principal Office in Hong Kong:

Suite 1806, Tower 1

The Gateway

25 Canton Road

Tsimshatsui, Kowloon

Hong Kong

28 April 2017

To the Shareholders,

Dear Sir or Madam,

(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

(2) RE-ELECTION OF DIRECTORS

AND

(3) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the following proposals to be put forward at the AGM for the Shareholders' consideration and, if thought fit, approval of:

- (a) the granting to the Directors of the General Mandate;
- (b) the granting to the Directors of the Repurchase Mandate;

LETTER FROM THE BOARD

- (c) the granting to the Directors of the General Extension Mandate; and
- (d) the re-election of retiring Directors.

2. VARIOUS MANDATES

On 24 June 2016, resolutions for the General Mandate, the Repurchase Mandate and the General Extension Mandate were passed by the Shareholders and all the aforesaid mandates will lapse at the conclusion of the forthcoming AGM.

(a) General Mandate

An ordinary resolution will be proposed at the AGM to approve the granting of the General Mandate. The new General Mandate, if granted, will allow the Directors to issue and allot further Shares prevailing up to 20% of the aggregate number of the issued Shares as at the date of passing the relevant resolution.

As at the Latest Practicable Date, the total number of issued Shares was 1,016,189,000, all of which had been fully paid or credited as fully paid. Subject to the passing of the resolution granting the General Mandate and on the basis that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date and to the date of the AGM, the exercise in full of the General Mandate could result in new issue of up to 203,237,800 Shares. There is no present intention for any issuance of Shares pursuant to the General Mandate.

(b) Repurchase Mandate

An ordinary resolution will be proposed at the AGM to approve the granting of the Repurchase Mandate. The new Repurchase Mandate, if granted, will allow the Directors to exercise all the powers of the Company to repurchase its own Shares not exceeding 10% of the aggregate number of issued Shares as at the date of passing the relevant resolution.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that there were 1,016,189,000 fully paid-up Shares as at the Latest Practicable Date and no Shares will be issued or repurchased by the Company from the Latest Practicable Date to the date of AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 101,618,900 Shares. There is no present intention for any repurchase of Shares pursuant to the Repurchase Mandate.

An explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to be sent to the Shareholders in relation to the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the information reasonably necessary for the Shareholders to make an informed decision on whether to approve the relevant resolution at the AGM.

LETTER FROM THE BOARD

(c) General Extension Mandate

It is recommended that the General Extension Mandate be granted to the Directors permitting them, after the grant of the Repurchase Mandate referred to above, to add to the General Mandate such number of Shares repurchased pursuant to the Repurchase Mandate.

The authority conferred on the Directors by the General Mandate, the Repurchase Mandate and the General Extension Mandate would continue in force until 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 to be held; and (iii) their respective revocation or variation by ordinary resolution of the Shareholders in a general meeting.

3. RE-ELECTION OF DIRECTORS

In accordance with Article 108 of the Articles, at each annual general meeting of the Company, not less than one-third of the Directors for the time being shall retire from office by rotation and, under code provision A.4.2 of the corporate governance code of the Company, every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every 3 years. All retiring Directors shall be eligible for re-election.

Accordingly, the following Directors shall retire from office by rotation at the conclusion of the AGM.

Name	Position
(a) Mr. Han-Chia Yau	Non-executive Director
(b) Mr. Harn-Jia Chen	Non-executive Director
(c) Mr. Chen Chih	Independent Non-executive Director

All of the aforesaid Directors, being eligible, will offer themselves for re-election at the AGM. Also, pursuant to the resolutions of the Company passed on 25 June 2014, the term of office of Mr. Han-Chia Yau and Mr. Harn-Jia Chen shall both expire at the conclusion of the AGM.

Mr. Chen Chih, who has been serving as an independent non-executive Director of the Company for more than 9 years, has confirmed his independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The Board considers that Mr. Chen Chih is still independent in accordance with the independence guidelines as set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

If re-elected at the AGM, Mr. Han-Chia Yau, Mr. Harn-Jia Chen and Mr. Chen Chih will all hold office until the conclusion of the annual general meeting of the Company of 2020, subject to (a) the terms under their respective service contract(s) or letter(s) of appointment (as the case may be); (b) rotation, removal, vacation or termination of their

LETTER FROM THE BOARD

offices as Directors or disqualification to act as Directors as set out in the Articles, the applicable laws and/or the Listing Rules. The particulars of Directors standing for re-election required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

5. ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 15 to 18 of this circular and a form of proxy for use at the AGM is enclosed with this circular.

Whether or not you are able to attend the AGM, please complete the accompanying form of proxy in accordance with the instructions printed on the form and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment of such meeting. Completion and return of the form of proxy shall not preclude you from attending and voting at the AGM or any adjournment of such meeting should you so desire.

6. CLOSURE OF REGISTER OF MEMBERS

The Hong Kong branch register of members of the Company will be closed from 20 June 2017, Tuesday, to 23 June 2017, Friday (both dates inclusive), for the purposes of determining the entitlements of the Shareholders to attend and vote at the AGM. No transfer of the Shares may be registered during the said period. In order to qualify to attend and vote at the AGM, 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:30 p.m. (Hong Kong time) on 19 June 2017, Monday.

7. VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the voting on all resolutions at the AGM will be conducted by way of poll.

8. RECOMMENDATION

The Board believes that the resolutions proposed in the AGM Notice are in the best interests of the Company and the Shareholders as a whole. The Board recommends that the Shareholders vote in favour of all resolutions to be proposed at the AGM.

9. RESPONSIBILITY OF THE DIRECTORS

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information

LETTER FROM THE BOARD

contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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

*The English transliteration of the Chinese name(s) in this circular (if any), where indicated with *, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese names.*

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE OF SHARES

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the AGM in relation to the new Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued Shares of the Company was 1,016,189,000, all of which had been fully paid or credited as fully paid.

Subject to the passing of the resolution granting the new Repurchase Mandate and on the basis that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date to the date of the AGM, the Directors would be allowed under the Repurchase Mandate to repurchase up to 101,618,900 Shares, representing 10% of the number of the issued Shares as at the Latest Practicable Date, during the period from the date of resolution granting the Repurchase Mandate until 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 to be held; and (iii) its revocation or variation by ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders as a whole to have a general authority from Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may apply funds legally available for such purpose from distributable profit or funds from a new issue in accordance with its Memorandum of Association and Articles and the laws of the Cayman Islands.

That is to say, any repurchase of Shares may be purchased out of capital paid up on the repurchased Shares or the profits of the Company which would otherwise be available for dividend and, in the case of any premium payable on such repurchase, out of profits of the Company which would otherwise be available for dividend or from the Company's share premium account or its contributed surplus account.

On the basis of the combined net tangible assets of the Group as at 31 December 2016, and taking into account the current working capital position of the Group, the Directors consider that there would be no/might be material adverse effect on the working capital and gearing position of the Group in the event that the Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. Nevertheless, The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE OF SHARES

circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

4. EFFECT UNDER THE TAKEOVERS CODE AND ON MINIMUM PUBLIC HOLDING

If, as the result of a Share repurchase, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. In certain circumstances, a Shareholder or a group of Shareholders acting in concert (depending on the level of increase of the Shareholders' interest) could as a result of increase of its or their interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Assuming that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date to the date of the AGM, on exercise in full of the Repurchase Mandate, the number of issued Shares will decrease from 1,016,189,000 to 914,570,100.

As at the Latest Practicable Date, Great Wall Enterprise, through its wholly-owned subsidiary Great Wall International (Holdings) Ltd., which in turn through Waverley Star Limited and Asia Nutrition Technologies Corporation, its wholly-owned subsidiaries, held a total of 528,824,852 Shares representing approximately 52.04% of the entire issued Share.

If, which is not presently contemplated, the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the shareholding of Great Wall Enterprise would be increased from 52.04% to 57.83% approximately as a result of a decrease in the number of issued Shares. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate. As at the Latest Practicable Date, so far as is known to the Directors, no Shareholder may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code in the event that the Directors exercise the power in full to repurchase Shares pursuant to the Repurchase Mandate.

The Company has no intention to exercise the Repurchase Mandate to the effect that it will result in the public float falling below 25% or such other minimum percentage prescribed by the Listing Rules from time to time.

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE OF SHARES

5. SHARE PRICE

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during the previous twelve months and up to the Latest Practicable Date were as follows:

	Share Price	
	Highest (HK\$)	Lowest (HK\$)
2016		
April	0.92	0.77
May	0.90	0.70
June	0.85	0.76
July	0.84	0.76
August	0.83	0.64
September	0.84	0.71
October	0.77	0.70
November	0.84	0.70
December	0.77	0.70
2017		
January	0.80	0.66
February	0.73	0.67
March	0.75	0.67
April (up to the Latest Practicable Date)	0.72	0.68

6. REPURCHASE OF SHARES

The Company had not purchased any Shares in the six months preceding the Latest Practicable Date, whether on the Stock Exchange or otherwise.

7. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any close associate of any Director has any present intention in the event that the Repurchase Mandate is approved by the Shareholders to sell any Shares to the Company.

No core connected person of the Company has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws.

APPENDIX II DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

Set out below are details of the Directors who are proposed to be re-elected at the AGM.

1. **Mr. Han Chia-Yau**

Mr. Han, aged 67, has been a non-executive director of the Company and a member of the Remuneration Committee since 2007. Mr. Han joined Great Wall Enterprise in 1991 and from 1995 to 2001, he was the vice chairman of the board of directors of Great Wall Enterprise. Since 2001, Mr. Han has been the chairman of Great Wall Enterprise. He is also a director of TTET Union Corporation whose shares are listed on the Taiwan Exchange.

Mr. Han obtained a bachelor's degree from Chung Yuan Christian University (中原理工學院) and a master's degree in Computer Science from the University of Connecticut in 1973 and 1978 respectively. He is an older brother of Mr. Han Jia-Hwan, Mr. Harn Jia-Chen and Mr. Han Chia-Yin and an uncle of Mr. Jonathan Fang-Tsu Han.

Mr. Han is interested in 55,499 shares of Great Wall Enterprise.

Mr. Han has received a letter of appointment from the Company and accepted the appointment as a non-executive Director.

2. **Mr. Harn Jia-Chen**

Mr. Harn, aged 62, has been a non-executive director of the Company and a member of Nomination Committee since 2007. Mr. Harn is also the vice chairman of the board of directors of Great Wall Enterprise. From 1995 to March 2015, he was the chairman of the board of directors of Great Wall Food (Tianjin) Co., Ltd. (大成食品(天津)有限公司), a subsidiary of Great Wall Enterprise engaged in flour production. Since 2001, he has been the chairman of the board of directors of Great Wall Yung Huo Food (Beijing) Co., Ltd. (北京大成永和食品有限公司). Since 1999, he has been the chairman of the board of directors of Great Wall Food (Tianjin) Co., Ltd. (大成萬達(天津)有限公司). From 1997 to 2006, he was the director of Great Wall Food (Shekou) Co., Ltd. (大成食品(蛇口)有限公司). From 2006 to 2011, he was the chairman of the board of directors of Great Wall Food (Shekou) Co., Ltd. Since 2003, he has been the chairman of DaChan Showa Food (Tianjin) Co., Ltd. (大成昭和食品(天津)有限公司). From May 2006 to April 2015, he was elected as the president of Taiwan Asset Enterprise Association of Tianjin (天津市台灣同胞投資企業協會) and has been its honorary president since May 2015. From April 2007 to May 2010, he was elected as the vice chairman of the Association of Taiwan Investment Enterprises on the Mainland (全國台灣同胞投資企業聯誼會). Since May 2010 to April 2015, he was the standing vice-president of the Association of Taiwan Investment Enterprises on the Mainland and has been its consultant since May 2015.

Mr. Harn obtained his master's degree in business administration from the University of New Haven in 1986. He is an older brother of Mr. Han Jia-Hwan, Mr Han Chia-Yin and a younger brother of Mr. Han Chia-Yau and an uncle of Mr. Jonathan Fang-Tsu Han.

Mr. Harn is interested in 59,612 shares of Great Wall Enterprise.

APPENDIX II DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

Mr. Harn has received a letter of appointment from the Company and accepted the appointment as a non-executive Director.

3. Mr. Chen Chih

Mr. Chen, aged 63, has been an independent non-executive director of the Company, the chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee since 2007. Mr. Chen served as the president of GE Medical Systems China since 1996 and was promoted to vice president of General Electric Company since November 2001. He retired from General Electric Company in 2009. Mr. Chen has also been the chairman of SKR Healthcare Group Limited (世康融醫療集團有限公司) since 2009 and China Nucleon Medical Technology Limited (中國核子醫療技術集團有限公司) (now known as Advance Medical Systems Limited (安迪科醫藥集團有限公司)) since 2012, and the vice-president and CEO of TCL Healthcare since May 2014.

Mr. Chen received his Ph.D. degree in mechanical engineering from Lehigh University in 1984.

Mr. Chen is interested in 300,000 Shares.

Mr. Chen has received a letter of appointment with the Company and accepted the appointment as an independent non-executive Director.

DIRECTORS' EMOLUMENTS

The amounts of emoluments received by the above Directors to be re-elected at the AGM for the year ended 31 December 2016 are set out in the table below:

Directors	Fees (HK\$'000)	Salaries, allowances and benefits in kind (HK\$'000)	Employee share option benefits (HK\$'000)	Pension scheme contributions (HK\$'000)	Total remuneration (HK\$'000)
Mr. Han Chia-Yau	150	-	-	-	150
Mr. Harn Jia-Chen	200	-	-	-	200
Mr. Chen Chih	200	-	-	-	200

The emoluments to be received in 2017 by the above Directors to be re-elected at the AGM will be determined by the Board based on the adopted remuneration policy reviewed by the Remuneration Committee, with reference to the Directors' qualification and experience, responsibilities undertaken, contribution to the Group, and the prevailing market level of remuneration of similar position.

APPENDIX II DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

OTHER INFORMATION

The terms of office of all of the aforesaid Directors, if re-elected, are subject to (a) the terms under their respective service contracts or letter of appointment; (b) rotation, removal, vacation or termination of their offices as Directors or disqualification to act as Directors as set out in the Articles, the applicable laws and the Listing Rules.

Save as disclosed in this circular:

- (a) in the past three years up to the Latest Practicable Date, the above Directors did not hold any directorship in any listed public company in Hong Kong or overseas or any other positions within the Company or any other members of the Group;
- (b) as at the Latest Practicable Date, the above Directors did not have other major appointments and professional qualifications, any interests in the Shares within the meaning of Part XV of the SFO and any relationship with any other Directors, senior management or any substantial or controlling shareholders of the Company;
- (c) there is no information which is required to be disclosed in relation to the above Directors pursuant to any of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and
- (d) the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



DACHAN FOOD (ASIA) LIMITED

大成食品(亞洲)有限公司

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3999)

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company (the “AGM”) will be held at 2:00 p.m. (Hong Kong time) on 23 June 2017, Friday at Xiamen Suites I-II, 3/F., Prince Hotel, Harbour City, Kowloon, Hong Kong for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Director(s)**”) and the independent auditors of the Company (the “**Auditors**”) for the year ended 31 December 2016.
2. To re-appoint Messrs. KPMG as the Auditors to hold office until the conclusion of the next annual general meeting of the Company and authorise the board of the Directors (the “**Board**”) to fix the Auditors’ remuneration.
3. To re-elect the retiring Directors.
4. To authorise the Board 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:

5. “**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 share capital of 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

NOTICE OF ANNUAL GENERAL MEETING

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 aggregate number of the issued Shares as at the date of passing this resolution; and

- (b) 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 recognised regulatory body or any stock exchange applicable to the Company).”

- 6. **“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 authorise the Directors to procure the Company to repurchase Shares at such price as the Directors may at their discretion determine;

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- (c) the Shares to be repurchased by the Company pursuant to this resolution during the Relevant Period shall be no more than ten per cent of the aggregate number of the issued Shares 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.”
7. “**THAT**, subject to the availability of unissued share capital and conditional upon the resolutions nos. 5 and 6 above being passed, the number of Shares which are repurchased by the Company pursuant to and in accordance with resolution no. 6 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. 5 above.”

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

Hong Kong, 28 April 2017

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 authorised 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 28 April 2017. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed on the form 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 Level 22, Hopewell Centre, 183 Queen’s Road East, 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 20 June 2017 (Tuesday) to 23 June 2017 (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

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share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on 19 June 2017, Monday.

4. With regard to resolutions no.5 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.5 above.
5. In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the above resolutions will be voted by way of poll; shareholders of the Company who have material interests (within the meaning of the Listing Rules) in the transactions to be approved by the above resolutions are required to abstain from voting in relevant resolutions.

As at the date of this notice, the Board comprises Mr. Han Jia-Hwan (Chairman) and Mr. Han Chia-Yin as executive Directors, Mr. Han Chia-Yau, Mr. Harn Jia-Chen and Mr. Chao Tien-Shin as non-executive Directors and Mr. Way Yung-Do, Mr. Wei Anning and Mr. Chen Chih as independent non-executive Directors.