

# **Guoquan Food (Shanghai) Co., Ltd.**

## **鍋圈食品(上海)股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 2517)**

### **Director Nomination Policy**

**Article 1** In order to further clarify the nomination process of the candidates for directors of Guoquan Food (Shanghai) Co., Ltd. (hereinafter referred to as the “**Company**”), the Company has formulated this rule according to the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”), the Securities Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Listing Rules**”) and other applicable laws, regulations, normative documents, and the provisions of the Articles of Association of the Company (hereinafter referred to as the “**Articles of Association**”) and the actual situation of the Company.

#### **Article 2** Nomination Procedures for Candidates for Directors

Pursuant to Article 70 of the Articles of Association,

- (I) shareholders individually or collectively holding 3% or more of the total outstanding voting shares of the Company may, by way of a written proposal, put forward to the General Meeting about the candidates for directors. However, the number of candidates proposed shall comply with the provisions of the Articles of Association, and shall not exceed the number to be elected. The aforesaid proposal put forward by shareholders to the Company should be delivered to the Company at least 7 days before the convening of the General Meeting.
- (II) within the number of members as specified by the Articles of Association and based on the number of proposed candidates for election, directors may propose a list of recommended candidates for directors, which shall be submitted to the Board of Directors for approval. After the list of candidates for directors is determined based on the examination by the Board of Directors and the adoption of a resolution, it should be proposed in writing at the General Meeting.
- (III) the written notices of the intention to nominate a candidate for election as a director and the acceptance of nomination by such potential candidate, and the relevant written materials of the nominated candidate, shall be given to the Company no less than 7 days prior to the date of convening the General Meeting (such seven-day period shall commence no earlier than the second day after the issue of the notice of the meeting at which the election shall be conducted and no later than 7 days prior to the General Meeting). The Board of Directors shall provide shareholders with biographical details and basic information about the candidates for directors.
- (IV) the period for nominating candidates for directors to the Company, as well as the period for the nominee to submit the aforementioned notices and documents shall be no less than 7 days (such period shall commence from the day following the date of serving the notice of convening the General Meeting).
- (V) in the General Meeting, voting for each candidate for a director shall be taken separately.
- (VI) in the case of ad hoc addition or replacement of any director, the Board of Directors shall put forward a proposal to the General Meeting for such election or replacement.

### **Article 3** Term of office of Directors

- (1) Pursuant to Article 74 of the Articles of Association, directors shall be elected or replaced at the General Meeting and shall hold office for a term of 3 years. Upon expiry of the term of office, a director shall be eligible to offer himself/herself for re-election. The term of office of directors shall commence from the date of appointment up to the expiry of the current term of office of the Board. In the event that the terms of directors fall upon expiry whereas new members of the Board are not re-elected in time, the existing directors shall continue to perform their duties in accordance with the law, administrative regulations, departmental rules and these Articles of Association until the newly elected directors assume their office.
- (2) Pursuant to Article 81 of the Articles of Association, the Board shall consist of 11 directors, with 4 Independent Directors and 1 chairman. The Chairman shall be elected or removed by more than half of Directors, and serve a tenure of three years. Upon the expiration of tenure, the Chairman may be re-elected.

### **Article 4** Nomination Documents for Candidates for Directors

- (1) Before the convening of the General Meeting, the nominated director shall make a written undertaking stating that he/she agrees to accept the nomination, and undertakes to disclose the information of the candidates for directors publicly to be true and complete and to ensure that he/she will perform his/her duties effectively after being elected.
- (2) In order to satisfy the relevant disclosure requirements of the issuer's directors under Rule 13.51(2) of the Listing Rules and to enable shareholders to make an informed decision on the election of directors, the nominator shall provide the basic information of candidates for directors in addition to the nomination notice, including but not limited to the following:
  - (a) full name and age;
  - (b) position held within the Company and/or group of companies, if any;
  - (c) relevant experience, including (i) other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past 3 years; and (ii) other major appointments and professional qualifications;
  - (d) current employment and other information that shareholders need to know about the candidate's competence and integrity (including business experience and academic qualifications, for example);
  - (e) the term of office or proposed term of office as a director of the Company;
  - (f) relationships with any director, senior management, substantial shareholder or controlling shareholder (as defined in the Listing Rules) of the Company, or an appropriate statement of denial of such relationship;

- (g) interests in Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), or an appropriate statement of denial of such interests;
- (h) the amount of the Directors' remuneration, the basis of calculation and the amount payable as stipulated in the service contract;
- (i) a declaration made by the director candidate in respect of the information required to be disclosed pursuant to Rule 13.51(2)(h) to (w) of the Listing Rules, or an appropriate negative statement to that effect where there is no information to be disclosed pursuant to any of such requirements nor there are any other matters relating to that director candidate's standing for election as a director that should be brought to shareholders' attention; and
- (j) contact information.

**Article 5** Shareholders may request the Company to convene an extraordinary general meeting to nominate candidates for directors of the Company.

**Article 6** Pursuant to Rules 13.70 and 13.73 of the Listing Rules, shareholders shall nominate candidates for directors upon the issuance of the notice of the General Meeting. The Company shall publish an announcement or issue a supplementary circular to the Shareholders not less than 10 business days before the date of the General Meeting to provide Shareholders with relevant information, including information on the candidates for directors.

**Article 7** Unless otherwise stated, the terms used in this rule have the same meanings as those in the Articles of Association.

**Article 8** If this rule has any deficiencies or conflicts with the laws, administrative regulations, normative documents promulgated after this rule takes effect, the Listing Rules and other relevant regulatory rules of the place of listing, or the Articles of Association revised through legal procedures, the relevant national laws, administrative regulations, normative documents, Listing Rules and other relevant regulatory rules of the place of listing and the Articles of Association shall prevail, and this rule shall be revised immediately and submitted to the board of directors for consideration and approval.

**Article 9** This rule was considered and approved by the board of directors and became effective and enforceable from the date of the Company's first issuance of shares and listing in Hong Kong.

**Article 10** The right to interpret and revise this rule belongs to the board of directors of the Company.

**Article 11** If there is any inconsistency between the English and Chinese versions of this rule, the Chinese version shall prevail.