ANJOY FOODS GROUP CO., LTD.
Terms of Reference for the Audit Committee of the Board of Directors

(Revised in November 2025)

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to enhance the decision-making capabilities, perform pre-audit and professional audit, ensure effective supervision over the senior management by the Board and improve the corporate governance structure, the Company has hereby established the audit committee of the Board (the "Audit Committee") and formulated these Terms of Reference (the "Terms") in accordance with the regulations of the Company Law of the People's Republic of China (the "Company Law"), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Shanghai Stock Exchange Guidelines for Self-regulation of Listed Companies No. 1 – Standardized Operation (the "Guidelines for Self-regulation of Listed Companies No. 1"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), the Articles of Association of Anjoy Foods Group Co., Ltd. (the "Articles of Association") and other relevant laws and regulation and normative documents.

Article 2 The Audit Committee is a special working body of the Board. The Audit Committee reports to the Board of Directors. The Audit Committee's proposals are submitted to the Board of Directors for review and decision-making. The Audit Committee shall exercise the powers and functions of the Supervisory Committee as stipulated in the Company Law.

CHAPTER 2 COMPOSITION OF THE COMMITTEE

Article 3 The Audit Committee consists of five directors. The members shall be appointed by the Board amongst the members of the Board and shall be non-executive directors who do not hold senior management positions in the Company. In particular, the independent directors shall account for more than half of the Members with at least one of them being a professional accountant satisfying the professional requirements by the securities regulatory rules of the places where the shares of the Company are listed. Employee representative director who is a member of the Board may serve as a member of the Audit Committee.

Article 4 The members of the Audit Committee (the "Member(s)") shall be appointed by the Board by over half of all directors. A former partner of the Company's existing external auditors shall be prohibited from acting as a Member of the Audit Committee for a period of two years commencing on the date of them ceasing: (i) to be a partner of the external auditors; or (ii) to have any financial interest in the external auditors, whichever is later.

Article 5 The Audit Committee shall have one chairperson (the convener) who is a professional accountant among the independent directors of the Company, to preside over the work of the Committee. The chairperson shall be elected by the Board of Directors. The chairperson shall be responsible for convening and presiding over meetings of the Audit Committee. Where the chairperson cannot or is unable to perform his/her duties, he/she shall appoint another Member who is an independent director to perform the duties on his/her behalf; if the chairperson fails to fulfill his/her duties, and does not designate another Member who is an independent director to act on his/her behalf, any Member may report the relevant information to the Board, and the Board shall designate a Member who is an independent director, to perform the duties of the chairperson of the Audit Committee.

Article 6 The Members of the Audit Committee shall serve for the same term as the directors of the Board. The Members are eligible for re-election upon expiry of the term. If a Member ceases to be a director of the Company or if a Member who is an independent director ceases to satisfy the requirement on independence by the securities regulatory rules of the place where the shares of the Company are listed during the term, he/she shall automatically be disqualified as a Member and a new Member shall be appointed to fill the vacancy pursuant to the Terms.

Article 7 The Member of the Audit Committee may resign before the expiration of the term of his/her office, and shall submit a written resignation report to the Board, the resignation report cannot take effect unless approved by the Board. Additionally, the original Member shall perform related duties in accordance with the Terms before the Member elected through by-election takes office.

CHAPTER 3 DUTIES AND AUTHORITIES

Article 8 The Audit Committee of the Board of the Company shall be responsible for the review of the Company's financial information and its disclosure, supervision and evaluation of internal and external audit as well as internal control. The following matters shall be submitted to the Board for examination, subject to the approval of the majority of all Members of the Audit Committee:

(i) Disclosure of financial information and internal control evaluation report in financial and accounting reports and periodic reports;

(ii) Engagement and dismissal of the accounting firm in charge of the accounting matters of the Company;

(iii) Engagement and dismissal of the chief financial officer of the Company;

(iv) Changes in accounting policies and accounting estimates or correction of major accounting errors for reasons other than changes in accounting standards;

(v) Other matters prescribed by laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

If any member of the Audit Committee is unable to ensure the truthfulness, accuracy, or completeness of the financial information in the periodic reports, or has any objections, they shall vote against or abstain during the Audit Committee's review of the reports.

Article 9 The primary responsibilities and authorities of the Audit Committee include:

(i) to supervise and assess external audit work, make proposals regarding appointment, reappointment and dismissal of external auditors, approve the remuneration and terms of engagement of the external auditors, deal with all matters of the resignation or dismissal of external auditors, supervise practicing activities of external auditors;

(ii) to review and monitor the independence and objectivity of external auditors and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee shall discuss with the external auditors the nature, scope and related reporting responsibility before the audit commences;

(iii) to formulate and implement policies relating to the provision of non-audit services by external auditors. For the purpose of this clause, external auditors include any entity under common control, ownership or management with the auditors and any entity that a reasonable and informed third party would reasonably conclude to be part of the local or international operation of the external auditors. The Audit Committee shall advise the board of directors on any actions or improvements and measures to be taken and make proposals;

(iv) to supervise and assess internal audit work, supervise the internal audit system and accounting policies of the Company and its implementation;

(v) to act as the representative of the Company and the external auditor, be responsible for the communication between the internal audit and the external audit and monitor their relationship to ensure the coordination between the works of internal auditor and the external auditor, ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and review and monitor its effectiveness;

(vi) to examine the completeness of the financial statements, annual reports and accounts, half-year reports and (if to be published) quarterly reports of the Company, and review important opinions regarding financial reporting in such statements and reports. When reviewing the related statements and reports before submission to the board of directors, the Committee shall focus on the following matters:

(1) changes in accounting policies and practices;

(2) areas involving critical judgements;

(3) significant adjustments resulting from audit;

(4) the on-going concern assumption and qualified opinions;

(5) compliance with accounting standards; and

(6) compliance with the listing rules and legal requirements of the stock exchange(s) where the shares of the Company are listed in relation to financial reporting;

(vii) for the purpose of item (vi) above:

(1) the Committee Members shall communicate with the board of directors and members of the senior management. The Committee shall meet with the external auditor at least twice a year; and

(2) the Committee shall consider any significant and unusual items that are, or may need to be, reflected in such reports and accounts, and shall give consideration the matters raised by the staff responsible for accounting and financial reporting function, compliance officer or the external auditors;

(viii) to audit the financial information and its disclosure of the Company, and financial and accounting policies and operation;

(ix) to review and evaluate the financial control, risk management and internal control systems of the Company;

(x) to discuss with the management on risk management and internal control system to ensure that the management has performed its duty to maintain an effective internal control system. The matters discussed shall include the adequacy of resources, qualifications, experience and training of staff and budgets pertaining to the accounting and financial reporting functions;

(xi) to review major investigation findings on risk management and internal control and the management's response to these investigation findings on its own initiative or as delegated by the board of directors;

(xii) to review any audit letter by the external auditor to the management, major queries raised by the auditors about accounting records, financial accounts or control systems and the response of the management;

(xiii) to ensure that the board of directors will provide a timely response to any of the issues raised in the external auditor's audit letter;

(xiv) to review the internal system of the Company and organize the review on major (related) connected transactions;

(xv) to review the following arrangements of the Company: the employees of the Company can, in confidence, raise concerns about possible irregularities in financial reporting, internal control or other matters. The Audit Committee shall ensure that proper arrangements are in place for the Company to conduct fair and independent investigations and to take necessary actions accordingly;

(xvi) to develop and review the Company's policies and practices on corporate governance and make recommendations to the board of directors;

(xvii) to review and monitor the training and continuous professional development of directors and members of the senior management;

(xviii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements.

(xix) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors;

(xx) to review the Company's compliance with the Corporate Governance Code as contained in Appendix C1 to the Hong Kong Listing Rules and disclosure in the Corporate Governance Report set out in the annual reports;

(xxi) to report to the board of directors on the provisions of the Corporate Governance Code as contained in Appendix C1 to the Hong Kong Listing Rules;

(xxii) to inspect the Company's compliance with laws and regulations, including supervision and management of issues related to business ethics and corruption;

(xxiii) to be responsible for the laws and regulations, the Articles of Association, the listing rules of the stock exchange(s) where the shares of the Company are listed and other matters authorized by the board of directors of the Company.

Article 10 The Audit Committee is responsible for reviewing the Company's financials in accordance with the law, overseeing the legal and regulatory compliance of the directors and senior management members in the performance of their duties, exercising other powers stipulated in the Articles of Association, and protecting the legitimate rights and interests of the Company and its shareholders.

When the Audit Committee discovers that directors or senior management members have violated the laws and regulations, relevant provisions of the stock exchange, or the Articles of Association, it shall notify the Board or report to the shareholders' meeting and disclose it in a timely manner, or it may report directly to the regulatory agency.

In the process of fulfilling its supervisory duties, the Audit Committee may propose the removal of those directors and senior management members who have violated the laws and regulations, the Guidelines for Self-regulation of Listed Companies No. 1, other relevant provisions of the stock exchange, the Articles of Association, or resolutions passed by the shareholders' meeting.

Article 11 The Audit Committee shall monitor the execution of the cash dividend policy and the shareholders' return plan carried out by the Board, as well as the execution of appropriate decision-making procedures and the information disclosures. The Audit Committee shall urge the Board to make correction in a timely manner if it finds that the Board failed to strictly implement the cash dividend policy and shareholders' return plan, failed to strictly execute corresponding decision-making procedures or failed to make an authentic, accurate and complete disclosure of relevant information.

Article 12 Main duties of the chairperson of the Committee are:

(i) to convene and preside over meetings of the Audit Committee;

(ii) to supervise and inspect the work of the Audit Committee;

(iii) to sign relevant documents of the Audit Committee;

(iv) to report to the Board of Directors on the work of the Audit Committee;

(v) to attend the Company's annual general meeting and answer shareholders' questions about the Committee's duties. If the chairperson is unable to attend the annual general meeting, other Member or appropriately appointed representative shall attend the meeting on his/her behalf;

(vi) to perform other duties and responsibilities as required or conferred by the laws and regulations, securities regulatory rules of the place where the shares of the Company are listed, the Articles of Association and the Board of Directors.

Article 13 The rights and duties of the Members of the Audit Committee are:

(i) to attend meetings of the Audit Committee as scheduled, express opinions on matters for discussion at the meetings, and exercise voting rights;

(ii) to suggest topics for discussion at the meetings of the Audit Committee;

(iii) to attend or sit-in the relevant meetings of the Company as audience and conduct investigative studies and obtain the required relevant information, such as reports, documents and information, for the purpose of performing duties;

(iv) to fully understand the duties and responsibilities of the Committee and their own duties as a Member of the Committee, familiarize with the operation and management conditions, business activities and development status of the Company relating to their duties, ensure their capabilities in performing their duties;

(v) to provide full assurance for the working time and efforts required to perform their duties;

(vi) to perform other duties and responsibilities as required or conferred by the laws and regulations, securities regulatory rules of the place where the shares of the Company are listed, the Articles of Association and the Board of Directors.

CHAPTER 4 PROCEDURES OF DECISION-MAKING

Article 14 The persons in charge of the internal audit and relevant finance department of the Company are responsible for providing to the Audit Committee relevant written information of the Company in relation to:

(i) relevant financial system of the Company;

(ii) internal major audit reports and external audit reports;

(iii) external audit contract, special audit and relevant audit reports;

(iv) the Company's quarterly, interim and annual reports as well as relevant provisional reports;

(v) other relevant matters.

Article 15 The written materials mentioned in Article 8 shall be reviewed at the meeting of the Audit Committee and the relevant resolutions shall be formed in writing and submitted to the Board for discussion.

CHAPTER 5 RULES OF PROCEEDINGS

Article 16 The Chairperson of the Audit Committee shall convene and chair the meetings. The Audit Committee shall hold at least one meeting every quarter, which shall be convened before the announcement of the interim financial report and annual financial report and a notice shall be given to all Members five days prior to the meetings. The Audit Committee may hold an extraordinary meeting when three or more Members propose, or when the convenor deems it necessary. The Chairperson of Committee shall convene a meeting within ten days after receiving the proposal. If the Chairperson of the Committee is unable to attend the meeting, any other Committee Member may be entrusted to preside over the meeting.

Article 17 The quorum of the meeting of the Audit Committee shall be more than two-thirds of the Members present at the meeting. Each Member of the Audit Committee shall be entitled to one vote at the meeting. Resolutions of the meeting shall be passed by the majority of the Members.

Article 18 Resolutions of the Audit Committee shall be voted on either by a show of hands or by ballot. Voting at an extraordinary meeting may be conducted through telecommunications.

Article 19 The secretary of the Board shall attend the meeting of the Audit Committee. When necessary, the Audit Committee may invite the Company's other directors and senior management members to attend meetings.

Article 20 Members attending the meeting of the Audit Committee shall have the obligation to keep confidential for any information which has not been disclosed, and not to use the insider information for the benefits of their own or others.

Article 21 Members of the Audit Committee shall attend meetings of the Committee in person; if Members are unable to attend the meeting for some reason, they may appoint another Member in writing to attend the meeting, and, if any Member has failed to attend nor appoint a proxy to attend the meeting, he/she shall be deemed to have waived his/her right to vote at such meeting.

Article 22 Where necessary, the Audit Committee may appoint intermediary agencies to provide independent and professional advice for its decision-making and the fee shall be borne by the Company.

Article 23 The convening procedures, the way of voting and the resolutions passed at the meetings of the Audit Committee shall be in accordance with the relevant laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, the Articles of Association and the provisions of these Terms.

Article 24 Minutes shall be kept for the meetings of the Audit Committee. The Committee Members attending the meeting shall sign the minutes. The minutes of the meetings shall be filed and kept by the secretary to the Board, and the minutes shall be kept for at least ten years. The Company shall provide the minutes of the meetings of the Audit Committee if required by the stock exchanges.

Article 25 The resolutions and voting results at the meetings of the Audit Committee shall be reported to the Board in written form.

Article 26 Where the Board disagrees with the Audit Committee's view on the selection, appointment, resignation or dismissal of the external auditors, a statement from the Audit Committee explaining its recommendation and also the reason(s) why the Board has taken a different view should be included in the corporate governance report.

In the event of the resignation of a member of the Audit Committee resulting in the membership of the Audit Committee not meeting the statutory quorum or the absence of an accounting professional, the previous member of the Audit Committee shall continue to exercise his/her duties in accordance with relevant laws, regulations, the Terms, other provisions of the stock exchanges and the Articles of Association before a newly elected member of the Audit Committee takes office.

CHAPTER 6 MISCELLANEOUS

Article 27 The expression of "more" referred to in the Terms shall include the figure mentioned.

Article 28 The Terms shall come into force from the date when it is considered and approved at the shareholders' meeting of the Company.

Article 29 Any matter not covered herein or provisions in these Terms which are not in line with the provisions of applicable state laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association shall be dealt with in accordance with the relevant laws, administrative regulations, securities regulatory rules of the places where the shares of the Company are listed and the Articles of Association and be immediately revised and submitted to the Board for consideration and approval.

Article 30 The interpretation of the Terms shall be vested to the Board of the Company.

Anjoy Foods Group Co., Ltd.