

HF FOODS GROUP INC.

CORPORATE GOVERNANCE GUIDELINES

INTRODUCTION

The Board of Directors (the “Board”) of HF Foods Group Inc. (the “Company”) has adopted these corporate governance guidelines, which describe the principles and practices that the Board will follow in carrying out its responsibilities. These guidelines will be reviewed by the Nominating and Governance Committee on an annual basis to ensure that they effectively promote the best interests of both the Company and the Company’s stockholders and that they comply with all applicable laws, regulations and stock exchange requirements.

A. Role and Responsibility of the Board

The Board directs and oversees the management of the business and affairs of the Company in a manner consistent with the best interests of the Company and its stockholders. In this oversight role, the Board serves as the ultimate decision-making body of the Company, except for those matters reserved to or shared with the stockholders. The Board oversees senior management’s operation of the business, and the senior managers are charged with conducting the business of the Company.

B. Board Composition, Structure and Policies

1. ***Independence of Directors.*** Except during periods of temporary vacancies, at least 75% of the members of the Board shall, in the business judgment of the Board, meet the definition of “independence” contained in Annex A hereto. The Board shall make an affirmative determination annually as to the independence of each director. The Company’s independence definition is attached as Annex A, and includes a series of objective tests, such as that the director is not an employee of the Company, has not engaged in various types of business dealings with the Company, and has no immediate family members who are employed by or in business with the Company. Because it is not possible to anticipate or explicitly provide for all potential conflicts of interest that may affect independence, the Board is also responsible for determining affirmatively, as to each independent director, that no material relationships exist which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, the Board will broadly consider all relevant facts and circumstances, including information provided by the directors and the Company with regard to each director’s business, personal, charitable and other activities as they may relate to the Company and the Company’s management. As the concern is independence from management, the Board does not view ownership of even a significant amount of the Company’s securities, by itself, as a bar to an independence finding. In conjunction with the Nominating and Governance Committee, the whole Board shall review and approve all Proxy Statement disclosures regarding director independence prior to publication.

2. ***Selection of Chairperson of the Board and Chief Executive Officer.*** The Board shall select its chairperson (“Chairperson”) and the Company’s Chief Executive Officer (“CEO”) in any way the Board considers to be in the best interests of the Company; *provided, however*, that the Chairperson shall at all times meet the criteria for director independence as set forth in Annex A hereto. For the avoidance of doubt, the roles of CEO and Chairperson shall at all times be occupied by separate individuals.
3. ***Director Qualification Standards.*** The Nominating and Governance Committee is responsible for reviewing the qualifications of potential director candidates and recommending to the Board those candidates to be nominated for election to the Board, subject to any obligations and procedures governing the nomination of directors to the Board that may be set forth in any stockholders agreement to which the Company is a party. It is expected that the Nominating and Governance Committee will consider (a) minimum individual qualifications, including mature judgment, familiarity with the Company’s business and industry, independence of thought and an ability to work collegially and (b) all other factors it considers appropriate, which may include age, gender and ethnic and racial background, existing commitments to other businesses, potential conflicts of interest with other pursuits, legal considerations such as antitrust issues, corporate governance background, various and relevant career experience, relevant technical skills, relevant business or government acumen, financial and accounting background, executive compensation background and the size, composition and combined expertise of the existing Board. The Board should monitor the mix of specific experience, qualifications and skills of its directors in order to assure that the Board, as a whole, has the necessary tools to perform its oversight function effectively in light of the Company’s business and structure.
4. ***Change in Present Job Responsibility.*** Directors should offer to resign upon a significant change of the director’s principal current employer or principal employment, or other similarly significant change in professional occupation or association. The Board shall determine the action, if any, to be taken with respect to the offer to resign.
5. ***Term Limits.*** The Board does not have a policy to impose term limits for directors because such a policy may deprive the Board of the service of directors who have developed, through valuable experience over time, an increased insight into the Company and its operations.
6. ***Director Orientation and Continuing Education.*** All new directors shall participate in eight (8) hours of Corporate Governance Guidelines and Best-in-Class Practices program(s) conducted by an outside entity specializing in director education, which should be conducted within six months of the meeting at which new directors are elected or appointed to the Board. In addition, directors and Named Executive Officers (as defined in Rule 402(a)(3) of Regulation S-K) of the Company shall attend eight (8) hours of Corporate Governance Guidelines and Best-in-Class Practices program(s) conducted by an

outside entity specializing in director and/or corporate officer education, or equivalent programs conducted internally by the Company's General Counsel or outside counsel, annually at the Company's expense.

C. Board Meetings

1. ***Frequency of Meetings.*** The Board currently plans at least four meetings each year, with further meetings to occur (or action to be taken by unanimous consent) at the discretion of the Board or the Chairperson in accordance with the Company's Bylaws.
2. ***Selection of Board Agenda Items.*** The Chairperson, in consultation with management, shall set the agenda for Board meetings with the understanding that other members of the Board may provide suggestions for agenda items that are aligned with the advisory and monitoring functions of the Board. Agenda items that fall within the scope of responsibilities of a Board committee are reviewed with the chairperson of that committee. Any member of the Board may request that an item be included on the agenda.
3. ***Access to Management and Independent Advisors.*** Board members shall have free access to all members of management and employees of the Company. Generally, any meeting or contact that a director wishes to initiate with an employee should be arranged through the CEO or General Counsel. The Board expects that there will be frequent opportunities for directors to meet with the CEO and other members of management in Board and committee meetings and in other formal or informal settings. In addition, Board members may consult with independent legal, financial, accounting and other advisors, at the Company's expense, as necessary and appropriate and, if applicable, in accordance with the Board committee charters, to assist in their duties to the Company and its stockholders.
4. ***Executive Sessions.*** To ensure free and open discussion and communication among the non-management directors of the Board, the non-management directors will meet in executive session at least twice annually at Board meetings with no members of management present. If the group of non-management directors includes directors who have not been determined to be independent, then the independent directors will meet in a private session at least once a year. A director designated by the non-management or independent directors, as applicable, will preside at the executive sessions.

D. Committees of the Board

The Board shall have at least three committees: the Audit Committee, the Compensation Committee and the Nominating and Governance Committee. Each committee shall have a written charter. In addition, in accordance with the powers of the Board provided in the Company's Amended and Restated Bylaws, the Board may, by resolution adopted by a majority of the whole Board, designate one or more committees, each of which shall, except as otherwise

prescribed by law, have such authority of the Board as shall be specified in the resolution of the Board designating such committee.

Each of the Audit Committee, the Compensation Committee and the Nominating and Governance Committee shall be comprised of no fewer than the number of members set forth in the relevant committee charter. In addition, each committee member must satisfy the membership requirements set forth in the relevant committee charter. A director may serve on more than one committee.

E. Audit Matters

The Company's Chief Financial Officer, at the request of the Board or the Audit Committee, shall assist the Board or the Audit Committee to establish, document, and maintain accounting policies, procedures, and financial reporting checklists to ensure that the Company's accounting and related financial policies fulfill GAAP, SEC, and industry reporting requirements. The Company's Chief Financial Officer, Chief Accounting Officer (if separate) and Chief Compliance Officer shall annually (and when corresponding guidance requires) review these policies, procedures, and checklists to ensure that all policies are up-to-date. The Board (or the Audit Committee, if so delegated) shall cause the Company to retain and compensate, when necessary, independent counsel, accountants, or other experts to assist in carrying out these duties and responsibilities.

The Company's Chief Financial Officer and Chief Accounting Officer (if separate) shall incorporate a review and audit of such policies and procedures into their annual internal audit, and shall identify any modifications reflecting changes in GAAP, SEC, and industry requirements and their impact prior to the issuance of subsequent quarterly and annual financial statements.

F. Expectations of Directors

The business and affairs of the Company shall be managed by or under the direction of the Board in accordance with applicable laws, rules, regulations and listing standards. In performing their duties, the primary responsibility of the directors is to exercise their business judgment in the best interests of the Company. The Board has developed a number of specific expectations of directors to promote the discharge of this responsibility and the efficient conduct of the Board's business.

1. ***Commitment and Attendance.*** All directors are expected to make best efforts to attend all meetings of the Board, meetings of the committees of which they are members and the annual meeting of stockholders. Members are encouraged to attend Board meetings and meetings of committees of which they are members in person, but may also attend such meetings by telephone or video conference.
2. ***Participation in Meetings.*** Each director should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Management will make appropriate personnel available to answer

any questions a director may have about any aspect of the Company's business. Directors should also review the materials provided by management and advisors in advance of the meetings of the Board and its committees and should arrive prepared to discuss the issues presented.

3. ***Loyalty and Ethics.*** In their roles as directors, all directors owe a duty of loyalty to the Company. The Company has adopted a Code of Conduct (the "Code"), and directors are expected to adhere to the Code.
4. ***Other Directorships and Significant Activities.*** Serving on the Board requires significant time and attention. Directors are expected to spend the time needed and meet as often as necessary to discharge their responsibilities properly. It is expected that, without specific approval from the Board, no director will serve on more than four public company boards (including the Company's Board). In addition, directors who also serve as CEOs or in equivalent positions generally should not serve on more than two outside public company boards. Directors must advise the Chairman before accepting membership on other public company boards of directors or other commitments that would require a significant amount of time involving a directorship or an affiliation with other businesses, non-profit entities or governmental units.
5. ***Confidentiality.*** The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

G. Management Succession Planning

The Board will create and periodically review a succession plan relating to the CEO and other executive officers. The Board may also delegate oversight of the succession plan to a committee of the Board. The succession plan should include, among other things, an assessment of the experience, performance and skills for possible successors to the CEO.

H. Evaluation of Board Performance

The Board, acting through the Nominating and Governance Committee, should conduct a self-evaluation at least annually in a manner determined by the Nominating and Governance Committee to evaluate whether it and its committees are functioning effectively. The Nominating and Governance Committee, at its discretion, should periodically consider the mix of skills and experience that directors bring to the Board to assess whether the Board has the necessary tools to perform its oversight function effectively.

Each committee of the Board should at least annually conduct a self-evaluation in a manner determined by the Nominating and Governance Committee to evaluate whether it is functioning effectively and report the results to the Board. Each committee's evaluation must compare the performance of the committee with the requirements of its written charter.

I. Board Compensation

Non-employee directors are expected to receive a portion of their annual retainer in the form of equity of the Company. Directors who are employed by the Company are not paid additional compensation for their services as directors or committee members.

J. Stock Ownership Requirements

1. ***Non-Employee Directors.*** On or before the later of the fifth anniversary of (i) the date on which an individual first becomes a non-employee director or (ii) the date that these guidelines were first adopted by the Board January __, 2024, each director should attain and, thereafter, continuously maintain minimum ownership of Company common stock equal in value to four (4) times the annual base retainer paid to such non-employee director. With respect to non-employee directors, the shares counted towards ownership shall include:

- shares owned directly by the director, including shares of stock underlying vested and unvested restricted stock units held by the director that may be subject to transfer restrictions or potential clawbacks;

provided, however, that shares held through any other form of indirect beneficial ownership, as well as shares underlying unexercised options, shall not count toward a non-employee director's ownership for purposes of this section.

2. ***Named Executive Officers.*** On or before the later of the fifth anniversary of (i) the date on which an individual is appointed to a Named Executive Officer (as defined in Rule 402(a)(3) of Regulation S-K) position other than the Chief Executive Officer, or (ii) the date that these guidelines were first adopted by the Board January __, 2024, each Named Executive Officer should attain and, thereafter, continuously maintain, minimum ownership of Company common stock equal in value to two (2) times the officer's annual base salary. On or before the later of the fifth anniversary of (i) the date on which an individual is appointed to the role of Chief Executive Officer of the Company, or (ii) the date these guidelines were first adopted by the Board January __, 2024, the Chief Executive Officer should attain and, thereafter, continuously maintain, minimum ownership of Company common stock equal in value to five (5) times the Chief Executive Officer's annual base salary.

With respect to all Named Executive officers, the shares counted towards ownership shall include:

- shares owned directly by the officer, including shares of stock underlying vested performance stock units or vested restricted stock units held by the officer that may be subject to transfer restrictions or potential clawbacks;
- shares owned indirectly by the officer through any Company employee stock purchase plan; and
- shares underlying unvested restricted stock units held by the officer;

provided, however, that shares held through any other form of indirect beneficial ownership, as well as shares underlying unexercised options, shall not count toward an officer's ownership for purposes of this section.

3. The aggregate value of each non-employee director or Named Executive Officer's holdings of Company common stock shall be determined by multiplying (A) the number of shares counted toward ownership pursuant to these guidelines by (B) the average closing price of a share of Company common stock on the NASDAQ Capital Market for the three-month period preceding the applicable measurement date. Once a non-employee director or Named Executive Officer has met his or her applicable ownership guideline multiple and a subsequent decline in the price of Company common stock causes the value of his or her ownership to fall below the applicable threshold, the non-employee director or Named Executive Officer will be considered to be in compliance with these guidelines so long as he or she continues to hold a number of shares of Company common stock equal or greater to the number of shares of Company common stock that were owned at the time when he or she achieved the applicable ownership threshold.
4. Named Executive Officers shall be required to retain (A) 25% of the net shares acquired upon exercise of stock options and (B) 100% of the net shares acquired upon the vesting of restricted stock units or performance share units, in each case until such officer's holdings of Company common stock equal or exceed the applicable minimum ownership requirement. For these purposes, "net shares" shall mean the shares remaining after disposition of shares necessary to pay the related tax liability and, if applicable, exercise price. For purposes of determining whether an officer's holdings equal or exceed the minimum ownership requirement applicable to him or her, the officer should first calculate his or her ownership based on current vested stock holdings plus (X) two-thirds of his or her unvested restricted stock units and/or restricted stock and (Y) one-quarter of his or her unvested performance share units. If the sum of those amounts is less than his or her minimum ownership requirement, then the officer shall be required to comply with the retention requirements set forth in this section until the officer's holdings of Company common stock equal or exceed the ownership requirement.
5. There may be instances where abiding by these stock ownership guidelines may place an undue hardship on a director or Named Executive Officer, although it is anticipated that such instances will be rare. The Nominating and Governance Committee will make the final decision as to developing an alternative to these stock ownership guidelines for such a director or Named Executive Officer that reflects the intent of these stock ownership guidelines and the individual's personal circumstances.

K. Communications with Interested Parties

The CEO is responsible for establishing effective communications with all interested parties,

including stockholders of the Company. It is the policy of the Company that management speaks for the Company. This policy does not preclude outside directors, if any, from communicating with stockholders or other interested parties, but it is expected that, in most circumstances, any such communications will be coordinated with management.

L. Communications with Non-Employee Directors

Anyone who would like to communicate with, or otherwise make his or her concerns known directly to the chairperson of any of the Audit, Nominating and Governance, Compensation, or any other Committees of the Board or to the non-employee or independent directors as a group, may do so by addressing such communications or concerns to the Corporate Secretary of the Company at 6325 South Rainbow Boulevard, Suite 420, Las Vegas, Nevada, 89118, who will forward such communications to the appropriate party.

ANNEX A
DIRECTOR INDEPENDENCE

To be deemed "independent", a member of the Board shall conform with the definition of "independence" set forth in NASDAQ Listing Rule 5605(a)(2), and the Company's independence standards set forth in this Annex A. For the avoidance of doubt, to be deemed independent in any calendar year, each Director must confirm compliance with the definition of "independence" set forth in this Annex A, including the criteria of NASDAQ Listing Rule 5605(a)(2); *provided, however*, that in the event of any conflict between NASDAQ Listing Rule 5605(a)(2) and the following criteria, the more restrictive provision shall control.

- i. The director has not been employed by the Company or its subsidiaries or an affiliated entity (defined for purposes of this Annex A as any individual or business entity that owns at least five percent (5%) of the securities of the Company having ordinary voting power) within the last four (4) calendar years;
- ii. The director has not received, during the current calendar year or any of the three (3) immediately preceding calendar years, remuneration, directly or indirectly, as a result of service as, or compensation paid to, an affiliated entity (as defined above) in which the individual serves as an advisor, consultant or legal counsel to the Company or to a member of the Company's senior management;
- iii. The director has no personal services contract(s) with the Company or any member of the Company's senior management;
- iv. The director is not affiliated with a not-for-profit entity that receives significant contributions from the Company;
- v. The director during the current calendar year or any of the three (3) immediately preceding calendar years, has not had any business relationship with the Company for which the Company has been required to make disclosure under Regulation S-K of the SEC;
- vi. The director is not employed by a public company at which an executive officer of the Company serves as a director;
- vii. The director has no interest in any investment that overlaps with an investment by the Company and/or its senior management other than as a passive investor or any interest in the Company or its subsidiaries;
- viii. The director has not had any of the relationships described above with any affiliate of the Company; and
- ix. The director is not an Immediate Family Member of any person who fails to satisfy the qualifications described above. "Immediate Family Member" means a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such

person's home.

- x. The director has no interest in or affiliation with any affiliated entity of the Company.

A director is deemed to have received remuneration (other than remuneration as a director), directly or indirectly, if remuneration, other than de minimis remuneration, was paid by the Company, its subsidiaries or affiliates, to any entity in which the director has a beneficial ownership interest of five percent (5%) or more, or to an entity by which the director is employed or self-employed other than as a director. Remuneration is deemed de minimis if such remuneration is \$50,000 or less in any calendar year.

Each independent director shall certify annually in writing that he or she is independent. Directors who subsequently enter into transactions or relationships inconsistent with the foregoing standards shall take all necessary actions to come into compliance with these requirements within 90 days or resign from the Board.