

**HF FOODS GROUP INC.**  
**AUDIT COMMITTEE CHARTER**

**Adopted: April 15, 2020**  
**Updated: February 26, 2024**

The responsibilities and powers of the Audit Committee of the Board of Directors (the “Board”) of HF Foods Group Inc. (the “Company”), as delegated by the Board, are set forth in this charter (this “Charter”). Whenever the Audit Committee takes an action, it shall exercise its independent judgment on an informed basis that the action is in the best interests of the Company and its shareholders.

**I. PURPOSE**

The purpose of the Audit Committee shall be to oversee the Company’s accounting and financial reporting processes and the audit of the Company’s financial statements. The primary role of the Audit Committee shall be to represent and assist the Board in the oversight and monitoring of:

- The Company’s accounting and financial reporting processes and the audits of the Company’s financial statements;
- The integrity of the Company’s financial statements;
- The Company’s internal accounting and financial controls; and
- The Company’s compliance with legal and regulatory requirements, and the independent auditors’ qualifications, independence and performance.
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**II. COMMITTEE MEMBERSHIP**

The Audit Committee shall consist of at least three members. The members of the Committee are not employees of the Company and are not responsible for conducting the audit. The members of the Audit Committee shall be appointed by and serve at the discretion of the Board. Members of the Audit Committee must meet the following criteria:

- Each member must meet the independence and experience requirements and standards established from time to time by the Securities and Exchange Commission (the “SEC”) and any securities exchange on which the Company’s securities are listed or quoted for trading, in each case as amended from time to time.
- Each member must be financially literate and able to read and understand fundamental financial statements, including the Company’s balance sheet, statement of operations and statement of cash flows, as determined by the Board.
- At least one member of the Committee must have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable

experience or background that leads to financial sophistication.

- At least one member of the Committee must be an “audit committee financial expert” as defined in Item 407(d)(5)(ii) of Regulation S-K. A person who satisfies this definition of audit committee financial expert will also be presumed to have financial sophistication.
- Each member shall also meet any other requirements and standards established from time to time by the SEC and any securities exchange on which the Company’s securities are listed or quoted for trading, in each case as amended from time to time, for audit committee members.
- No member of the Committee may serve simultaneously on the audit committee of more than two other public companies without prior approval of the Board.

The Board shall designate one member of the Audit Committee as its chairperson.

An Audit Committee member may resign by delivering his or her written resignation to the chairman of the Board, or may be removed by majority vote of the Board by delivery to such member of written notice of removal, to take effect at a date specified therein, or upon delivery of such written notice to such member if no date is specified. The Board shall have the power at any time to fill vacancies in the Audit Committee, subject to such new member(s) satisfying the above requirements.

### **III. MEETINGS AND PROCEDURES**

The Audit Committee will set its own schedule of meetings and will meet at least quarterly, with the option of holding additional meetings at such times as it deems necessary or appropriate. Meetings of the Audit Committee may be called by a majority of the members of the Audit Committee upon such notice as is provided for in the Company’s charter documents with respect to meetings of the Board. A majority of the Audit Committee members shall constitute a quorum. Actions of the Audit Committee may be taken in person at a meeting or in writing without a meeting. Actions taken at a meeting, to be valid, shall require the approval of a majority of the members of the Audit Committee present and voting. Actions taken in writing, to be valid, shall be signed by all members of the Audit Committee. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. Periodically, the Audit Committee shall meet separately with the Company’s management, with the internal auditors and/or internal control director, and with the independent auditors.

The Audit Committee may form subcommittees for any purpose that the Audit Committee deems appropriate and may delegate to such subcommittees such power and authority as the Audit Committee deems appropriate. The Audit Committee shall not delegate to a subcommittee any power or authority required by law, regulation or listing standard to be exercised by the Audit Committee as a whole.

The Audit Committee shall make regular reports to the Board, which reports shall include to the extent that the Audit Committee deems appropriate, any issues that arise with respect to the quality or integrity of the Company’s financial statements, the Company’s compliance with legal or regulatory requirements, the performance and independence of the Company’s independent

auditors or the performance of the internal audit function.

#### **IV. COMMITTEE AUTHORITY AND RESPONSIBILITIES**

The Audit Committee shall appoint and oversee the work of the independent auditors, approve the compensation of the independent auditors and review and, if appropriate, discharge the independent auditors. In this regard, the independent auditors shall report directly to the Audit Committee, and the Audit Committee shall have the sole authority to approve the hiring and discharging of the independent auditors, all audit engagement fees and terms and all permissible non-audit engagements with the independent auditors.

The Audit Committee shall pre-approve (or, where permitted under the rules of the SEC, subsequently approve) engagements of the independent auditors to render audit services and/or establish pre-approval policies and procedures for such engagements, provided that (i) such policies and procedures are detailed as to the particular services rendered, (ii) the Audit Committee is informed of each such service and (iii) such policies and procedures do not include delegation to management of the Audit Committee's responsibilities under the Securities Exchange Act of 1934 or SEC rules. The Audit Committee shall also pre-approve any non-audit services proposed to be provided to the Company by the independent auditors.

The Audit Committee shall review and reassess the adequacy and scope of this Charter annually and recommend any proposed changes to the Board for approval.

The Audit Committee shall evaluate its performance annually.

To the extent deemed necessary or appropriate, the Audit Committee shall be responsible for:

##### *Oversight of the Company's Relationship with the Independent Auditor*

- Reviewing the independence of the independent auditors, including (i) obtaining on a periodic basis a formal written statement from the independent auditors delineating all relationships between the independent auditors and the Company, (ii) maintaining an active dialogue with the independent auditors, covering any disclosed relationship or services that may impair their objectivity and independence, (iii) presenting this statement to the Board and (iv) to the extent there are any such relationships, monitoring and investigating them and, if necessary, taking, or recommending to the Board that the Board take, appropriate action to maintain the independence of the independent auditors.
- Evaluating, at least annually, the independent auditors' qualifications, performance and independence, which evaluation shall include a review and evaluation of the lead partner of the independent auditors, and take appropriate action to oversee the independence of the independent auditors.
- Reviewing, in consultation with the independent auditors, the annual audit plan and scope of audit activities and monitor such plan's progress.
- Establishing policies regarding the hiring of employees or former employees of the

independent auditors.

- Obtaining and reviewing a report by the Company's independent auditors that describes (i) the accounting firm's internal quality control procedures, (ii) any material issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues, and (iii) all relationships between the firm and the Company or any of its subsidiaries; and to discuss with the independent auditors this report and any relationships or services that may impact the objectivity and independence of the auditors.
- Selecting, retaining, compensating, overseeing, and terminating, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services for the Company.

#### *Financial Statements and Disclosure Matters*

- Discussing and, as appropriate, reviewing with management and the independent auditors the Company's financial statements and annual and quarterly reports, including the Company's disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations, discuss with the independent auditors any other matters required to be discussed by accounting and auditing standards, and recommend to the Board whether the audited financial statements should be included in the Company's annual report.
- Discussing with management, the internal auditor and the independent auditors significant financial reporting issues raised and judgments made in connection with the preparation of the Company's financial statements, including the review of (i) major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles; (ii) analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues raised and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; (iii) the effect of regulatory and accounting initiatives, as well as off-balance sheet arrangements, on the Company's financial statements; and (iv) the type and presentation of information to be included in earnings press releases, as well as any financial information and earnings guidance to be provided to analysts and rating agencies.
- At least annually, obtaining and reviewing a report by the independent auditor describing: (i) the audit firm's internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the audit firm, and any steps taken to deal with any such issues described in the report.
- Receiving, reviewing and discussing quarterly reports from the independent auditors on (i) the Company's major critical accounting policies and practices; (ii) significant alternative treatments of financial information within GAAP that have been discussed with management; (iii) ramifications of the use of such alternative disclosures and treatments; (iv) any treatments

preferred by the independent auditors; and (v) other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.

- Reviewing on a regular basis with the Company's independent auditors any problems or difficulties encountered by the independent auditors in the course of any audit work, including management's response with respect thereto, any restrictions on the scope of the independent auditors' activities or on access to requested information, and any significant disagreements with management; and ensure the resolution of any disagreements between management and the independent auditors regarding financial reporting.
- Reviewing disclosures regarding the Company's internal controls that are required to be included in SEC reports.
- Discussing with management and the independent auditors any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.
- Discussing with management earnings press releases and financial information and earnings guidance to be provided to analysts and rating agencies, including any proposed use of "pro forma" or "adjusted" non- GAAP information.

#### *Oversight of the Company's Internal Control Function*

- Reviewing the adequacy and effectiveness of the Company's internal control policies and procedures on a regular basis, including the responsibilities, budget and staffing of the Company's internal audit and control function, as well as the need for any special audit procedures in response to material control deficiencies, and ensuring that identified material deficiencies are remediated in a timely manner through inquiry and discussions with the Company's independent auditors and management.
- Reviewing the reports prepared by management, assessing the adequacy and effectiveness of the Company's internal controls and procedures, prior to the inclusion of such reports in the Company's periodic filings as required under SEC rules.

#### *Compliance Oversight Responsibilities*

- Discussing and reviewing with management the risks faced by the Company and guidelines and policies with respect to risk assessment and risk management, including the Company's insurance coverage from time to time.
- Discussing with the Company's General Counsel and outside legal counsel legal and regulatory matters that may have a material impact on the financial statements or the Company's compliance procedures.
- Establishing procedures for receiving, retaining and treating complaints received by the Company regarding accounting, internal accounting controls or auditing matters and procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

- Reviewing, approving and monitoring compliance with the Company's code of conduct (the "Code") applicable to its senior financial officers, investigating any alleged breach or violation of the Code, and enforcing the provisions of the Code.
- Reviewing any conflicts of interest and any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) to assess an impact on the Company's internal controls or financial reporting and disclosure.
- Assist the Board in overseeing and monitoring the Company's cyber-security risk management strategies.

The Audit Committee shall have the authority, in its sole discretion, to engage independent counsel and other advisors, as it determines necessary, to carry out its duties. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of (i) compensation to the independent auditors engaged for the purpose of preparing or issuing an audit report or performing other audit review or attest services for the Company, (ii) compensation to any advisors employed by the Audit Committee and (iii) ordinary administrative expenses of the Audit Committee that are necessary or appropriate for carrying out its duties.