

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Nissin Foods Company Limited

日清食品有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 1475)

**CONTINUING CONNECTED TRANSACTIONS
WITH A CONNECTED SUBSIDIARY**

CONTINUING CONNECTED TRANSACTIONS

The Board would like to announce that on 26 March 2025, the Company and Nissin Australia have entered into the Master Supply Agreement pursuant to which the Group has agreed to supply the Supply Products to Nissin Australia. The term of the Master Supply Agreement is a term commencing from 26 March 2025 to 31 December 2027, renewable upon expiry for further three years, subject to compliance with applicable requirements under the Listing Rules.

LISTING RULES IMPLICATIONS

As of the date of this announcement, Nissin Australia is a connected subsidiary of the Company pursuant to Rule 14A.16 of the Listing Rules by virtue of it being a non-wholly-owned subsidiary of the Company where Nissin Japan, being a connected person at the Company's level, can exercise or control the exercise of 10% or more of the voting power of Nissin Australia. Accordingly, Nissin Australia is a connected person of the Company under the Listing Rules, and the transactions contemplated under the Master Supply Agreement constitute intra-group connected transactions of the Group under the Listing Rules.

As all applicable percentage ratios for the Proposed Annual Caps are more than 0.1% but less than 5%, the transactions under the Master Supply Agreement are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but exempt from the independent Shareholders' approval requirement pursuant to Rule 14A.76(2) of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS WITH A CONNECTED SUBSIDIARY

On 26 March 2025, the Company and Nissin Australia have entered into the Master Supply Agreement pursuant to which the Group has agreed to supply the Supply Products to Nissin Australia.

Principal terms of the Master Supply Agreement are set forth below:

Date	26 March 2025
Parties	(i) The Company (on behalf of the Group) (ii) Nissin Australia
Subject	The Group sells to Nissin Australia the Supply Products, which include instant noodles, snacks, cereals and other food products manufactured/sold by the Group from time to time
Pricing basis	Determined with reference to the cost of finished goods plus a profit margin ranging from 2% to 6% agreed at arm's length basis and taking into account the sale price for similar products that the Group sells to other Independent Third Parties in open market
Term	From 26 March 2025 to 31 December 2027, renewable upon expiry for further three years subject to compliance with applicable requirements under the Listing Rules

ANNUAL CAPS

The Proposed Annual Caps of the continuing connected transactions of the Group for each of the ten months period ending 31 December 2025 and the years ending 31 December 2026 and 31 December 2027 are set out below:

	For the ten months period ending 31 December 2025 <i>HK\$ million</i>	For the year ending 31 December 2026 <i>HK\$ million</i>	For the year ending 31 December 2027 <i>HK\$ million</i>
Sale to Nissin Australia	54.4	69.4	72.4

The Proposed Annual Caps are based on various considerations, including but not limited to (i) the anticipated sale of Supply Products from the Group to Nissin Australia with reference to the expected market demand of relevant products in Australia and New Zealand; and (ii) the anticipated increase in production and/or procurement capacity of the Group.

If the transactions contemplated under the Master Supply Agreement for any of the above years exceed the relevant annual cap(s), the Company will comply with the relevant requirements stipulated under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTIONS

As mentioned in “REASONS FOR AND BENEFITS OF THE JV FORMATION” in the announcement of the Company dated 11 November 2024, it is anticipated that there will be ample opportunities for expansion of instant noodle markets in both Australia and New Zealand. In anticipation of the expected increase in demand in the instant noodle in both Australia and New Zealand, the Company believes that the sales and distribution network of Nissin Australia provide an effective sale channel for the products of the Group while maintaining a greater control over retail sales and inventory levels of the Group’s products. The Supply Products the Group to be sold to Nissin Australia comprise instant noodles, snacks, cereals and other food products. The Board considers it beneficial to the Group as a whole to sell such finished goods to Nissin Australia for its onward sales to distributors, which in turn is expected to enhance the overall income and profitability of the Group. Hence, it is believed that the transactions contemplated under the Master Supply Agreement are beneficial to the business growth and development of the Group as a whole. On the aforesaid basis, the Directors (including the independent non-executive Directors) consider that the terms of the Master Supply Agreement were entered into on normal commercial terms and in the ordinary and usual course of business of the Group, and the terms of such agreement and the Proposed Annual Caps are fair and reasonable and such transactions are in the interests of the Company and its Shareholders as a whole.

GENERAL INFORMATION RELATING TO THE COMPANY AND NISSIN AUSTRALIA

The Company is a renowned food company in Hong Kong and mainland China, with a diversified portfolio of well-known and highly popular brands, primarily focusing on the premium instant noodle segment. In addition, the Company, together with its subsidiaries, also engages in the manufacture and sales of high-quality frozen food products, including frozen dim sum and frozen noodles, and sales of other food and beverage products, including retort pouch, snack food, mineral water, sauce and vegetable products.

Nissin Australia is a proprietary company with limited liability established in Australia in January 2025 and is owned as to 51% by the Company and 49% by Nissin Asia. Nissin Australia is primarily engaged in the import and sale of instant noodles, snacks, cereals and other food products in Australia and New Zealand. It will initially distribute the Group’s signature brands instant noodles, including but not limited to, Demae Ichio, Cup Noodles and Nissin Ramen and will gradually introduce other own brand products to the market.

INTERNAL CONTROL MEASURES

To ensure the transactions contemplated under the Master Supply Agreement are priced fairly and reasonably and in the interests of the Group and the Shareholders as a whole, the Group has adopted the following internal control measures:

- (1) The Company will carry out due and careful enquiries internally to assess the cost of producing and monitor the profit margin of such products and the raw materials involved.
- (2) The Group will gather market information from time to time on the market prices offered by other competitive market players and the availability for comparable products in the market.
- (3) The Company will, from time to time, engage an international renowned consulting firm to perform benchmark analysis on the profit margins of certain comparable companies and compare such profit margin charged to Nissin Australia with such comparable companies.
- (4) The finance department of the Company will on a monthly basis check whether the transactions amounts recorded in the accounting system of the Company are consistent with the pricing mechanism.
- (5) The audit committee of the Company will conduct an annual review of the pricing terms and transaction amounts in respect of the transactions under the Master Supply Agreement.

- (6) The independent non-executive Directors will conduct an annual review of the implementation of the continuing connected transactions to confirm that such transactions have been entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better and the terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole.
- (7) The Company's external auditors will conduct an annual review on the continuing connected transactions.

LISTING RULES IMPLICATIONS

Nissin Australia a connected subsidiary of the Company pursuant to Rule 14A.16 of the Listing Rules by virtue of it being a non-wholly-owned subsidiary of the Company where Nissin Japan, being a connected person at the Company's level, can exercise or control the exercise of 10% or more of the voting power of Nissin Australia. Accordingly, Nissin Australia is a connected person of the Company under the Listing Rules, and the transactions contemplated under the Master Supply Agreement constitute intra-group connected transactions of the Group under the Listing Rules.

None of the Directors have any material interest in the continuing connected transactions herein announced so that no Director was required to abstain from voting on the Board resolutions of the Company approving the Master Supply Agreement.

As all applicable percentage ratios for the Proposed Annual Caps are more than 0.1% but less than 5%, the transactions under the Master Supply Agreement are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but exempt from the independent Shareholders' approval requirement pursuant to Rule 14A.76(2) of the Listing Rules.

DEFINITIONS

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

"Board"	the board of Directors
"Company"	Nissin Foods Company Limited, a company incorporated under the laws of Hong Kong with limited liability, the shares of which are listed on the Main Board
"connected person"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange
“Master Supply Agreement”	means the master supply agreement dated 26 March 2025 entered into between the Company and Nissin Australia for the supply of the Supply Products by the Group
“Nissin Asia”	Nissin Foods Asia Co., Ltd., a company established in Thailand and a wholly-owned subsidiary of Nissin Japan
“Nissin Australia”	Australia Nissin Foods Pty. Ltd., a limited liability company incorporated under the laws of Australia and owned as to 51% by the Company and 49% by Nissin Asia
“Nissin Japan”	Nissin Foods Holdings Co., Ltd., a company established under the laws of Japan on 4 September 1948 whose shares are listed on the Tokyo Stock Exchange, Inc. (stock code: 2897) and the controlling shareholder of the Company
“percentage ratios”	refers to the percentage ratios under rule 14.07 of the Listing Rules
“Proposed Annual Caps”	the anticipated maximum annual value for the transactions contemplated under the Master Supply Agreement for the ten months ending 31 December 2025 and years ending 31 December 2026 and 2027
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supply Products”	means the food products that the relevant members of the Group is to sell to Nissin Australia including instant noodles, snacks, cereals and other food products manufactured/sold by the Group as agreed between the parties to the Master Supply Agreement from time to time
“%”	per cent

By order of the Board
Kiyotaka Ando
Chief Executive Officer and Executive Director

Hong Kong, 26 March 2025

As at the date of this announcement, Executive Directors are Mr. Kiyotaka Ando, Mr. Toshimichi Fujinawa, Mr. Shinji Tatsutani, Mr. Kiyoshi Matsuura, Mr. Katsunori Hiroi and Mr. Xi Xiaotong; and Independent Non-executive Directors are Mr. Masaru Takahashi, Professor Lynne Yukie Nakano, Professor Toshiaki Sakai and Professor Keiko Ito.