

[For Immediate Release]



(Incorporated in Hong Kong with limited liability)
Stock code: 1475

Nissin Foods Forms Joint Venture Company to Strengthen Distribution Platform in PRC Market

(Hong Kong, 23 January 2020) **Nissin Foods Company Limited** (“**Nissin Foods**” or the “**Company**”; together with its subsidiaries, the “**Group**”, Stock code: 1475) has today announced that the Group and Ms. LIU Feng have signed a shareholders’ and cooperation agreement (the “Shareholders Agreement”) to form a joint venture company (the “JV”).

Mr. Kiyotaka ANDO, Executive Director, Chairman and Chief Executive Officer of Nissin Foods, said, “Formation of the JV is the Group’s latest initiative to diversify products and expand distribution channels in the PRC, and in the long run open new revenue streams for the Group. It will give us a stronger foothold in Shanghai, presenting us with long-term strategic value conducive to creating sustainable returns for our shareholders. It is also part of our localisation efforts to strengthen our presence and relevance in the PRC. In the way ahead, we will continue to look for opportunities in strategic partnerships or alliances, thereby fueling growth momentum.”

The JV, intended to be a holding company, will set up a PRC Wholly Foreign-Owned Enterprise (PRC WFOE). The main business of the JV and the PRC WFOE will be to import and sell a comprehensive range of Japanese brand food and beverage products in first-tier cities including Shanghai in the PRC. The two companies target to commence business by the second quarter this year.

The shareholding ratio of Nissin Foods and Ms. LIU Feng to the JV Company is 81% and 19% respectively. Nissin Foods will contribute approximately HKD18.6 million in cash, to be financed by internal resources, to the share capital of the company. Both the JV and the PRC WFOE will be subsidiaries of the Company, the results of which will be consolidated into the financial statements of the Group.

The JV will enable the Group to expand its distribution channels and provide more diversified products to satisfy the growing demand of customers in the PRC for Japanese brand food and beverage products. Serving as an enhanced distribution platform for the Group, the JV will also create synergies

with the Group's existing noodles business in the PRC, helping bolster revenue of the Group, as well as its overall competitiveness.

Furthermore, continuing with the Group's long term development strategy of localising the senior management, Mr. YING Li Feng, Assistant Director of Nissin Foods (China) Holdings Co., Ltd., will be appointed Chairman of the PRC WFOE. Ms. LIU Feng will be appointed a director of the PRC WFOE. The Group believes such efforts will strengthen its knowledge of the PRC market and better prepare it for braving future market challenges.

For details of the partnership, please refer to the announcement:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0123/2020012300661.pdf>

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About Nissin Foods Company Limited

Nissin Foods Company Limited (The "Group"; Stock code: 1475) is a renowned food company in Hong Kong and the PRC with a diversified portfolio of well-known and highly popular brands and the largest instant noodle company in Hong Kong. The Group officially established its presence in Hong Kong in 1984. The Group primarily manufactures and sells instant noodles, frozen foods and other food products under its two core corporate brands, namely "NISSIN (日清)" and "DOLL (公仔)" together with a diversified portfolio of iconic household premium food brands. The Group's five flagship product brands, namely "Cup Noodles (合味道)", "Demae Iccho (出前一丁)", "Doll Instant Noodle (公仔麵)", "Doll Dim Sum (公仔點心)" and "Fuku (福)" are also among the most popular choices in their respective food product categories in Hong Kong. In the PRC market, the Group has introduced technology innovation through the "ECO Cup" concept into the market and primarily focuses its sales efforts in first- and second-tier cities located in the eastern and southern parts of the PRC. For more information, please visit www.nissingroup.com.hk.

About Ms. LIU Feng

Ms. LIU Feng is the founder of Dongfeng Group, which is established in 1994, and is currently serving as the general manager and director of Dachang Dongfeng Food (Shanghai) Co., Ltd.* 大昌東峰食品(上海)有限公司, which is a renowned importer and wholesaler of Japanese brand food and beverage in Shanghai.

* For identification purpose only

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