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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Tingyi (Cayman Islands) Holding Corp., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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康師傅控股

TINGYI (CAYMAN ISLANDS) HOLDING CORP.

康師傅控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0322)

PROPOSED CONTINUING CONNECTED TRANSACTIONS

*Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders*



SOMERLEY CAPITAL LIMITED

A letter from the Board is set out on pages 4 to 18 of this circular and a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 19 of this circular. A letter from Somerley Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 20 to 43 of this circular.

A notice convening an EGM to be held at the Conference Room, No.1688, Wuzhong Road, Minhang District, Shanghai City, PRC on Thursday, 5 June 2025 at 10:00 a.m. is set out on pages 49 to 51 of this circular. A proxy form for use by the Shareholders for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM in person, you are advised to complete and return the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company's principal place of business in Hong Kong at Suite 5607, 56th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjourned meeting thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof (as the case may be) should you so wish.

* For identification purpose only

23 April 2025

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DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

“2022 Marine Vision Supply Agreement”	the agreement dated 13 June 2022 between the Company and Marine Vision;
“2022 Tingzheng Supply Agreement”	the agreement dated 13 June 2022 between the Company and Tingzheng;
“2022 Ting Tong Logistics Agreement”	the agreement dated 13 June 2022 between the Company and Ting Tong;
“Board”	the board of directors of the Company;
“Company”	Tingyi (Cayman Islands) Holding Corp., a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Continuing Connected Transactions”	the continuing connected transactions contemplated under the Tingzheng Supply Agreement, the Marine Vision Supply Agreement and the Ting Tong Logistics Agreement;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting to be convened to approve the Tingzheng Supply Agreement, the Marine Vision Supply Agreement and the Ting Tong Logistics Agreement, and the transactions contemplated thereunder;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors appointed by the Board to advise the Independent Shareholders on the terms of the Tingzheng Supply Agreement, the Marine Vision Supply Agreement and the Ting Tong Logistics Agreement;

DEFINITIONS

“Independent Financial Adviser” or “Somerley”	Somerley Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders on the terms of the Tingzheng Supply Agreement, the Marine Vision Supply Agreement and the Ting Tong Logistics Agreement;
“Independent Shareholders”	Shareholders other than Tingzheng, Marine Vision, Ting Tong and their respective associates;
“Latest Practicable Date”	17 April 2025 being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Marine Vision”	Marine Vision Investment Inc., a company incorporated in the British Virgin Islands with limited liability;
“Marine Vision Supply Agreement”	the agreement proposed to be entered into between the Company and Marine Vision;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shares”	ordinary shares of US\$0.005 each in the capital of the Company;
“Shareholder(s)”	shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Ting Tong”	Ting Tong (Cayman Islands) Holding Corp., a company incorporated in the Cayman Islands with limited liability;
“Ting Tong Logistics Agreement”	the agreement proposed to be entered into between the Company and Ting Tong;
“Tingzheng”	Tingzheng (Cayman Islands) Holding Corp., a company incorporated in the Cayman Islands with limited liability;

DEFINITIONS

“Tingzheng Supply Agreement”	the agreement proposed to be entered into between the Company and Tingzheng; and
“%”	per cent.

康師傅控股

TINGYI (CAYMAN ISLANDS) HOLDING CORP.

康師傅控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0322)

Executive Directors:

Mr. Wei Hong-Ming (*Chairman*)
Mr. Junichiro Ida (*Vice-Chairman*)
Mr. Wei Hong-Chen
Mr. Koji Shinohara
Mr. Yuko Takahashi
Ms. Tseng Chien

Independent Non-executive Directors:

Mr. Hsu Shin-Chun
Mr. Lee Tiong-Hock
Mr. Masaya Tochio

Registered Office:

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Suite 5607, 56th Floor
Central Plaza
18 Harbour Road
Wanchai, Hong Kong

23 April 2025

To: the Shareholders

Dear Sir or Madam,

PROPOSED CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

Reference is made to the announcement of the Company dated 18 March 2025 in respect of the Continuing Connected Transactions.

The purpose of this circular is to:

- (a) provide the Shareholders with details of the Continuing Connected Transactions and the relevant annual caps thereunder;

LETTER FROM THE BOARD

- (b) set out the opinion of the Independent Financial Adviser in respect of the terms of the Continuing Connected Transactions;
- (c) set out the recommendation of the Independent Board Committee in respect of the terms of the Continuing Connected Transactions and the relevant annual caps thereunder; and
- (d) give you notice of the EGM.

The salient terms of the Continuing Connected Transactions are summarized below:

THE TINGZHENG SUPPLY AGREEMENT

- Subject:** The Group will purchase flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries.
- Term:** Three financial years commencing on 1 January 2026 and ending on 31 December 2028.
- Price:** The price of the products to be supplied by Tingzheng and its subsidiaries to the Group will be based on the quoted price for the products to be supplied. Such quoted price will be determined on a quarterly basis based on arm's length negotiations between the parties and on normal commercial terms with reference to:
- i. the prevailing market price for the same or substantially similar products, taking into account the price of the same or substantially similar products with comparable order quantities and quality offered by independent third party suppliers;
 - ii. if there are insufficient comparable transactions to (i) above, on normal commercial terms comparable to those received from independent third parties in respect of the same or substantially similar products with comparable quantities and quality; and
 - iii. if both (i) and (ii) above are not applicable, by reference to the average price of similar products previously purchased by the Group, and on normal commercial terms which are no less favourable to the Group than that are available from independent third parties.

Payment for the products under the Tingzheng Supply Agreement will be calculated on a monthly basis upon delivery of the products, with 60 days' credit terms. The payment will be made on the monthly payment day specified by the Group after the end of the credit terms.

LETTER FROM THE BOARD

The same payment procedures as described above that have been implemented under the 2022 Tingzheng Supply Agreement will continue to be applicable under the Tingzheng Supply Agreement, and such payment procedures are the same as those applicable to independent third party suppliers with comparable size. As such, the payment terms under the Tingzheng Supply Agreement are no less favourable to the Group than those applicable to independent third party suppliers, and that it will not result in adverse impact on the Group.

Cap amount:

Pursuant to the Tingzheng Supply Agreement, the Group has agreed to purchase products from Tingzheng and its subsidiaries based on the pricing policy stated above during the term of the Tingzheng Supply Agreement subject to the following annual caps:

	Financial year ending 31 December		
	2026	2027	2028
	<i>RMB' million</i>	<i>RMB' million</i>	<i>RMB' million</i>
Transaction amount	2,210	2,430	2,670

The annual caps for the Tingzheng Supply Agreement were determined based on the historical transaction amount with Tingzheng and its subsidiaries, and are projected mainly with reference to:

- a) the Group's demand for flexible plastic packaging materials and plastic products supplied by Tingzheng and its subsidiaries is expected to grow by approximately 5% to 6% in each of the coming three years, with reference to:
 - (i) the historical growth in the overall sales of the Group's products;
 - (ii) the increase in the Group's sourcing of flexible packaging materials and plastic products from independent third party suppliers, with a view to increase the level of diversification of the Group's purchases of flexible packaging materials and plastic products, and to obtain more favourable commercial terms from all the suppliers;
- b) the unit cost of raw materials for flexible plastic packaging and plastic products, which is primarily driven by the price of crude oil, is expected to grow by approximately 3% to 4% in each of the coming three years.

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The historical transaction amount of the products supplied by Tingzheng and its subsidiaries for the two financial years ended 31 December 2023 and 2024, and the two months ended 28 February 2025 are set out below:

	For the year ended 31 December		For the two months ended 28 February
	2023	2024	2025
	RMB' million	RMB' million	RMB' million
Annual cap	2,700	3,000	3,300 ^(Note)
Historical transaction amount	1,950	1,850	251

Note: The annual cap for 2025 is for the whole financial year.

The historical purchase of flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries decreased by approximately 5.1% year-on-year to approximately RMB1,850 million in 2024 and amounted to approximately RMB251 million in the first two months of 2025. The decrease in 2024 was primarily attributable to (i) the decline in the prices of flexible plastic packaging materials and plastic products, mainly driven by lower prices of major raw materials (such as crude oil), and (ii) to a lesser extent, the reduction in purchase volume of flexible plastic packaging materials and plastic products supplied by Tingzheng and its subsidiaries.

Condition

The Tingzheng Supply Agreement is subject to the Company's compliance with the requirements of the Listing Rules with respect to continuing connected transactions, including approval from the Independent Shareholders.

Reasons for entering the Tingzheng Supply Agreement

Tingzheng and its subsidiaries have been supplying flexible plastic packaging materials and plastic products to the Group for many years, such products are being used for the packaging of the Group's products in the ordinary and usual course of business of the Group.

Tingzheng and its subsidiaries are among the leading producers of flexible plastic packaging materials and plastic products in the PRC. They have multiple standardised factories covering the production centers of the Group, which can ensure the timely and stable supply of high quality standardised products to the Group. The Group has always been committed to food safety and quality guarantee, and has high requirements for its suppliers, such as the ability to provide stable and sufficient quantities of high quality standardised products in a timely manner. The Group has been satisfied with the quality of the products supplied by Tingzheng and its subsidiaries. As the term of the 2022 Tingzheng Supply Agreement is due to expire on 31 December 2025, the Tingzheng Supply Agreement is being entered into to enable the Group to continue to purchase products from Tingzheng and its subsidiaries for the Group's operation requirements in the upcoming three years.

LETTER FROM THE BOARD

As the Tingzheng Supply Agreement is being entered into in the ordinary and usual course of business of the Company and the terms have been negotiated on an arm's length basis and on normal commercial terms, with the purchase price of the products being based on prevailing market price of the same or substantially similar products offered by other independent third party suppliers, the Directors (including the independent non-executive Directors but excluded Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen and Ms. Tseng Chien, the executive Directors of the Company) consider that the transactions under the Tingzheng Supply Agreement and the proposed annual caps thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen, an executive Director of the Company, are considered to be interested in the transactions contemplated under the Tingzheng Supply Agreement and have avoided discussion and abstained from voting on the board resolution to approve the Tingzheng Supply Agreement. Ms. Tseng Chien, the executive Director of the Company, voluntarily chose to avoid discussion and abstain from voting on the board resolution to approve the Tingzheng Supply Agreement.

THE MARINE VISION SUPPLY AGREEMENT

Subject: The Group will purchase carton box products from Marine Vision and its subsidiaries.

Term: Three financial years commencing on 1 January 2026 and ending on 31 December 2028.

Price: The price of the products to be supplied by Marine Vision and its subsidiaries to the Group will be based on the quoted price for the products to be supplied. Such quoted price will be determined on a quarterly basis based on arm's length negotiations between the parties and on normal commercial terms with reference to:

- i. the prevailing market price for the same or substantially similar products, taking into account the price of the same or substantially similar products with comparable order quantities and quality offered by independent third party suppliers;
- ii. if there are insufficient comparable transactions to (i) above, on normal commercial terms comparable to those received from independent third parties in respect of the same or substantially similar products with comparable quantities and quality; and
- iii. if both (i) and (ii) above are not applicable, by reference to the average price of similar products previously purchased by the Group, and on normal commercial terms which are no less favourable to the Group than that are available from independent third parties.

Payment for the products under the Marine Vision Supply Agreement will be calculated on a monthly basis upon delivery of the products, with 60 days' credit terms. The payment will be made on the monthly payment day specified by the Group after the end of the credit terms.

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The same payment procedures as described above that have been implemented under the 2022 Marine Vision Supply Agreement will continue to be applicable under the Marine Vision Supply Agreement, and such payment procedures are the same as those applicable to independent third party suppliers with comparable size. As such, the payment terms under the Marine Vision Supply Agreement are no less favourable to the Group than those applicable to independent third party suppliers, and that it will not result in adverse impact on the Group.

Cap amount:

Pursuant to the Marine Vision Supply Agreement, the Group has agreed to purchase products from Marine Vision and its subsidiaries based on the pricing policy stated above during the term of the Marine Vision Supply Agreement subject to the following annual caps:

	Financial year ending 31 December		
	2026	2027	2028
	<i>RMB' million</i>	<i>RMB' million</i>	<i>RMB' million</i>
Transaction amount	2,340	2,580	2,830

The annual caps for the Marine Vision Supply Agreement were determined based on the historical transaction amount with Marine Vision and its subsidiaries, and are projected mainly with reference to:

- a) the Group's demand for carton box products supplied by Marine Vision and its subsidiaries is expected to grow by approximately 5% to 6% in each of the coming three years, with reference to:
 - (i) the historical growth in the overall sales of the Group's products;
 - (ii) the increase in the Group's sourcing of carton box products from independent third party suppliers, with a view to increase the level of diversification of the Group's purchases of carton box products, and to obtain more favourable commercial terms from all the suppliers;
- b) the unit cost of raw materials for carton box products, which is primarily driven by the price of paper pulp, is expected to grow by approximately 3% to 4% in each of the coming three years.

LETTER FROM THE BOARD

The historical transaction amount of the products supplied by Marine Vision and its subsidiaries for the two financial years ended 31 December 2023 and 2024, and the two months ended 28 February 2025 are set out below:

	For the year ended 31 December		For the two months ended
	2023	2024	28 February 2025
	<i>RMB' million</i>	<i>RMB' million</i>	<i>RMB' million</i>
Annual cap	3,100	3,600	4,100 ^(Note)
Historical transaction amount	2,140	1,920	295

Note: The annual cap for 2025 is for the whole financial year.

The historical purchase of carton box products from Marine Vision and its subsidiaries decreased by approximately 10.3% year-on-year to approximately RMB1,920 million in 2024 and amounted to approximately RMB295 million in the first two months of 2025. The decrease in 2024 was primarily due to the lower unit cost of raw materials for carton box products, which in turn was mainly affected by the lower domestic waste paper and paper pulp prices resulting from, among others, the increased capacity in the China paper industry.

Condition

The Marine Vision Supply Agreement is subject to the Company's compliance with the requirements of the Listing Rules with respect to continuing connected transactions, including approval from the Independent Shareholders.

Reasons for entering the Marine Vision Supply Agreement

Marine Vision and its subsidiaries have been supplying carton box products to the Group for many years, such products are being used for the packaging of the Group's products in the ordinary and usual course of the Group's operation.

Marine Vision and its subsidiaries are among the leading producers of carton box products in the PRC. They have multiple standardised factories covering the production centers of the Group, which can ensure the timely and stable supply of high quality standardised products to the Group. The Group has always been committed to food safety and quality guarantee, and has high requirements for its suppliers, such as the ability to provide stable and sufficient quantities of high quality standardised products in a timely manner. The Group has been satisfied with the quality of the products supplied

LETTER FROM THE BOARD

by Marine Vision and its subsidiaries. As the term of the 2022 Marine Vision Supply Agreement is due to expire on 31 December 2025, the Marine Vision Supply Agreement is being entered into to enable the Group to continue to purchase products from Marine Vision and its subsidiaries for the Group's operation requirements for the upcoming three years.

As the Marine Vision Supply Agreement is being entered into in the ordinary and usual course of business of the Company and the terms have been negotiated on an arm's length basis and on normal commercial terms, with the purchase price of the products being based on prevailing market price of the same or substantially similar products offered by other independent third party suppliers, the Directors (including the independent non-executive Directors but excluded Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen and Ms. Tseng Chien, the executive Directors of the Company) consider that the transactions under the Marine Vision Supply Agreement and the proposed annual caps thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen, an executive Director of the Company, are considered to be interested in the transactions contemplated under the Marine Vision Supply Agreement and have avoided discussion and abstained from voting on the board resolution to approve the Marine Vision Supply Agreement. Ms. Tseng Chien, the executive Director of the Company, voluntarily chose to avoid discussion and abstain from voting on the board resolution to approve the Marine Vision Supply Agreement.

THE TING TONG LOGISTICS AGREEMENT

- Subject: The Group will procure logistics services from Ting Tong and its subsidiaries.
- Term: Three financial years commencing on 1 January 2026 and ending on 31 December 2028.
- Price: The service fee of the logistics services to be provided by Ting Tong and its subsidiaries to the Group will be based on the quoted price for the logistics services to be provided. Such quoted price will be determined on a quarterly basis based on arm's length negotiations between the parties and on normal commercial terms with reference to:
- i. the prevailing market price for the same or substantially similar services, taking into account the price of the same or substantially similar services with comparable scope and level of services offered by independent third party service providers;
 - ii. if there are insufficient comparable transactions to (i) above, on normal commercial terms comparable to those received from independent third parties in respect of the same or substantially similar services with comparable scope and level of services; and
 - iii. if both (i) and (ii) above are not applicable, by reference to the average price of similar services previously procured by the Group, and on normal commercial terms which are no less favourable to the Group than that are available from independent third parties.

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Payment of the service fee under the Ting Tong Logistics Agreement will be calculated on a monthly basis upon completion of the services, with credit terms of 30 days. The payment will be made on the monthly payment day specified by the Group after the end of the credit terms.

The same payment procedures as described above that have been implemented under the 2022 Ting Tong Logistics Agreement will continue to be applicable under the Ting Tong Logistics Agreement, and such payment procedures are the same as those applicable to independent third party logistics services providers with comparable size. As such, the payment terms under the Ting Tong Logistics Agreement are no less favourable to the Group than those applicable to independent third party logistics services providers, and that it will not result in adverse impact on the Group.

Cap amount:

Pursuant to the Ting Tong Logistics Agreement, the Group has agreed to procure logistics services from Ting Tong and its subsidiaries based on the pricing policy stated above during the term of the Ting Tong Logistics Agreement subject to the following annual caps:

	Financial year ending 31 December		
	2026	2027	2028
	<i>RMB' million</i>	<i>RMB' million</i>	<i>RMB' million</i>
Transaction amount	2,330	2,580	2,840

The annual caps for the Ting Tong Logistics Agreement were determined based on the historical transaction amount with Ting Tong and its subsidiaries, and are projected mainly with reference to:

- a) the Group's demand for the captive logistics services to be provided by Ting Tong and its subsidiaries is expected to grow by approximately 5% to 6% in each of the coming three years, with reference to:
 - (i) the historical growth in the overall sales and logistics costs of the Group's products;
 - (ii) the additional captive logistics services to establish and expand a nationwide integrated distribution network in order to further strength the management of the distributors, expedite the delivery of the Group's products to the market, enhance the level of customer satisfaction, and increase the product penetration of the Group;

LETTER FROM THE BOARD

- (iii) the increase in the Group's sourcing of logistics services from independent third party logistics services providers, with a view to increase the level of diversification of the Group's procurements of logistics services, and to obtain more favourable commercial terms from all the logistics services providers;
- b) the service fee of logistics services, which is primarily driven by the price of gasoline and diesel oil, is expected to grow by approximately 4% to 5% in each of the coming three years.

The historical transaction amount of the services provided by Ting Tong and its subsidiaries for the two financial years ended 31 December 2023 and 2024, and the two months ended 28 February 2025 are set out below:

	For the year ended 31 December		For the two months ended 28 February
	2023	2024	2025
	<i>RMB' million</i>	<i>RMB' million</i>	<i>RMB' million</i>
Annual cap	3,200	3,700	4,200 ^(Note)
Historical transaction amount	1,985	1,873	265

Note: The annual cap for 2025 is for the whole financial year.

The historical procurement of logistics services from Ting Tong and its subsidiaries decreased by approximately 5.6% year-on-year to approximately RMB1,873 million in 2024 and amounted to approximately RMB265 million in the first two months of 2025. The slight decrease in logistics services for 2024 was mainly due to the improved efficiency by improving the vehicles full-load rates and optimised delivery routes, primarily resulting from adjustments made to certain underperforming wholesalers in past years by reducing their numbers or optimizing their scope of services.

Condition

The Ting Tong Logistics Agreement is subject to the Company's compliance with the requirements of the Listing Rules with respect to continuing connected transactions, including approval of the Independent Shareholders.

Reasons for entering the Ting Tong Logistics Agreement

Ting Tong and its subsidiaries have been providing the captive logistics services to the Group, including implementing strict control over the Group's products in the transportation process to ensure the timely and safe delivery, and promoting the Group's distribution system, for many years. The Group requires such captive logistics services from Ting Tong and its subsidiaries in the ordinary and usual course of the Group's operation.

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Ting Tong and its subsidiaries are among the leading logistics services providers in the PRC. They have a nationwide logistics network covering the production centers of the Group, which can ensure the timely and stable supply of high quality standardised captive logistics services to the Group. The Group has always been committed to food safety and quality guarantee, and has high requirements for its service providers, such as the ability to provide stable and sufficient quantities of high quality standardised services in a timely manner. The Group has been satisfied with the quality of the captive logistics services provided by Ting Tong and its subsidiaries. As the term of the 2022 Ting Tong Logistics Agreement is due to expire on 31 December 2025, the Ting Tong Logistics Agreement is being entered into to enable Ting Tong and its subsidiaries to continue to provide captive logistics services to the Group for the Group's operation requirements for the upcoming three years.

As the Ting Tong Logistics Agreement is being entered into in the ordinary and usual course of business of the Company and the terms have been negotiated on an arm's length basis and on normal commercial terms, with the service fee based on prevailing market price of the same or substantially similar services offered by other independent third party logistics services providers, the Directors (including the independent non-executive Directors but excluded Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen and Ms. Tseng Chien, the executive Directors of the Company) consider that the transactions under the Ting Tong Logistics Agreement and the proposed annual caps thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen, an executive Director of the Company, are considered to be interested in the transactions contemplated under the Ting Tong Logistics Agreement and have avoided discussion and abstained from voting on the board resolution to approve the Ting Tong Logistics Agreement. Ms. Tseng Chien, the executive Director of the Company, voluntarily chose to avoid discussion and abstain from voting on the board resolution to approve the Ting Tong Logistics Agreement.

INTERNAL CONTROL PROCEDURES

To ensure that the terms of the continuing connected transactions of the Group are fair and reasonable and no less favourable to the Group than those available to/from independent third parties, the Group has a set of internal control procedures in place under which:

Internal control and pricing policies

- (i) the Group maintains a list of carefully selected suppliers and service providers. The list is regularly reviewed and updated. For a supplier or service provider to become listed, the Group will initially conduct and must be satisfied with the on-site visits to the supplier or service provider. The supplier or service provider of the Group must also have a good track record with the Group in terms of the quality of the products supplied or services provided, which is reviewed by the quality assurance team of the Group (the "**Quality Assurance Department**"). The supplier or service provider must have also had a track record of at least one year. Further, if the supplier or service provider has not supplied any products or

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provided any services to the Group for more than a year, the supplier or service provider will be delisted from the Group's supplier/service provider list and the Group will initiate the full selection procedure (including on-site visits and quality checks) for the supplier or service provider to be relisted onto the supplier/service provider list;

- (ii) with respect to any potential orders, the research and development department of the Group (the “**R&D Department**”) or the purchasing department (the “**Purchasing Department**”) will first discuss and formulate the details of the specifications of the order (including materials, safety, functions and specification for the relevant products, and the scale and scope of the relevant services);
- (iii) after such formulation by the R&D Department or the Purchasing Department, based on their experience and taking into account similar purchases made or services procured by the Group, the Purchasing Department will obtain quotations from the supplier or service provider on a quarterly basis and also select not less than two and on average about three other suppliers or service providers from the Group's supplier/service provider list which are independent third parties for quotations in order to ascertain the prevailing market price in accordance with the pricing policies as set out under the supply agreement or service agreement;
- (iv) the selection criteria of the suppliers or service providers will be based on their quotation, delivery time, payment terms, specifications, quality, safety and recent performance;
- (v) upon delivery of the products or upon completion of the services (whether by connected person or independent third party), the Quality Assurance Department will conduct checks to review and assess (including but not limited to quality and safety) whether the products have been supplied or the services have been provided in accordance with the terms of each agreement; and
- (vi) the price of the products supplied by the suppliers and the services provided by the service providers will be determined based on the pricing policies set out in the relevant agreement for the transactions.

Internal review policies

- (i) the pricing policy for all the continuing connected transactions of the Group will be supervised and monitored by the accounting department of the Group and the management of the Group dedicated with the responsibility of supervising the continuing connected transactions of the Group to ensure that the relevant continuing connected transactions are being conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Shareholders as a whole;
- (ii) in respect of any order for products or services, the Group will assess the scale and scope of the products or services and obtain reference quotations from independent third party suppliers or service providers for setting the prevailing market price;

LETTER FROM THE BOARD

- (iii) the relevant personnel from the accounting department and the management of the Group will conduct regular checks to review and assess whether the transactions contemplated under the relevant continuing connected transactions are conducted in accordance with the terms of its respective agreement and will also regularly update the market price for the purpose of considering if the price charged for a specific transaction is fair and reasonable and in accordance with the aforesaid pricing policies; and
- (iv) the independent non-executive Directors will review the transactions under the relevant continuing connected transaction and the auditors of the Company will also conduct an annual review on the pricing terms and annual caps thereof.

The Directors consider that the above internal control and pricing policies and internal review policies of the Group are effective to ensure that the transactions contemplated under the relevant continuing connected transaction will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Group

The Group is principally engaged in the production and distribution of instant noodle and beverage products in the PRC.

Tingzheng

Tingzheng is a limited liability company incorporated in the Cayman Islands and is an investment holding company. Its subsidiaries are principally engaged in the manufacture and sale of flexible plastic packaging materials and plastic products in the PRC.

Marine Vision

Marine Vision is a limited liability company incorporated in the British Virgin Islands and is an investment holding company. Its subsidiaries are principally engaged in the manufacture and sale of carton box products in the PRC.

Ting Tong

Ting Tong is a limited liability company incorporated in the Cayman Islands and is an investment holding company. Its subsidiaries are principally engaged in the provision of logistics services in the PRC.

Tingzheng, Marine Vision and Ting Tong are wholly owned by Mr. Wei Ing-Chou and his brothers, Mr. Wei Ying-Chiao, Mr. Wei Yin-Chun and Mr. Wei Yin-Heng, and their respective spouses Ms. Wei Chang Lu-Yun, Ms. Lin Li-Mien, Ms. Wei Hsu Hsiu-Mien and Ms. Wei Tu Miao in equal proportions. Mr. Wei Ing-Chou is the father of Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen, an executive Director of the Company.

LETTER FROM THE BOARD

IMPLICATION UNDER THE LISTING RULES

As each of Tingzheng, Marine Vision and Ting Tong is beneficially owned by family members and relatives of Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen, an executive Director of the Company, each of Tingzheng, Marine Vision and Ting Tong is hence a connected person of the Company for the purpose of Chapter 14A of the Listing Rules, and the transactions contemplated under each of the Tingzheng Supply Agreement, the Marine Vision Supply Agreement and the Ting Tong Logistics Agreement will constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the annual transaction amount under the Tingzheng Supply Agreement, the Marine Vision Supply Agreement and the Ting Tong Logistics Agreement are expected to exceed 5%, the transactions contemplated under the Tingzheng Supply Agreement, the Marine Vision Supply Agreement and the Ting Tong Logistics Agreement are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the Continuing Connected Transactions and Somerley Capital Limited has been appointed as the independent financial adviser to the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

The Company will seek approval from the Independent Shareholders of the Continuing Connected Transactions and the proposed cap amounts thereunder in accordance with the requirements of the Listing Rules. The voting at the EGM will be by poll.

Mr. Wei Hong-Ming and Mr. Wei Hong-Chen are considered to be interested in the transactions contemplated under the Continuing Connected Transactions and have avoided discussion and abstained from voting on the board resolutions to approve the Continuing Connected Transactions. Ms. Tseng Chien, the executive Director of the Company, voluntarily chose to avoid discussion and abstain from voting on the board resolution to approve the Continuing Connected Transactions.

As at the Latest Practicable Date, Mr. Wei Hong-Ming, Mr. Wei Hong-Chen and their associates were deemed to be interested in 1,892,927,866 Shares, representing approximately 33.6% of the issued share capital of the Company. Mr. Wei Hong-Ming, Mr. Wei Hong-Chen and their associates will abstain from voting on the proposed resolutions at the EGM to be convened to approve the Continuing Connected Transactions. Save for Mr. Wei Hong-Ming, Mr. Wei Hong-Chen and their associates, no other Shareholder is interested in the transactions contemplated under the Continuing Connected Transactions and would be required to abstain from voting on the proposed resolutions at the EGM to be convened to approve the Continuing Connected Transactions.

EGM

A notice convening the EGM to be held at 10 a.m. on Thursday, 5 June 2025 at the Conference Room, No.1688, Wuzhong Road, Minhang District, Shanghai City, PRC is set out on pages 49 to 51 of this circular.

LETTER FROM THE BOARD

A form of proxy for the EGM for use by the Shareholders is enclosed with this circular. Whether or not you are able to attend the EGM in person, you are advised to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's principal place of business in Hong Kong at Suite 5607, 56th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof (as the case may be) should you so wish.

RECOMMENDATIONS

Your attention is drawn to the letter from the Independent Board Committee set out on page 19 of this circular which contains its recommendation to the Independent Shareholders on the Continuing Connected Transactions and the relevant cap amounts thereunder. Your attention is also drawn to the letter of advice from Somerley which contains, amongst other matters, its advice to the Independent Board Committee and the Independent Shareholders in relation to the Continuing Connected Transactions and the relevant cap amounts thereunder.

The independent non-executive Directors, whose views are set out in the letter from the Independent Board Committee contained in this circular, consider that the Continuing Connected Transactions and the transactions contemplated thereunder are fair and reasonable, and executed in normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors (including the independent non-executive Directors but excluded Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen and Ms. Tseng Chien, the executive Directors of the Company) recommend the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

Your attention is also drawn to the general information set out in the appendix of this circular.

By order of the Board of
Tingyi (Cayman Islands) Holding Corp.
Mr. Junichiro Ida
Vice-Chairman and Executive Director

康師傅控股

TINGYI (CAYMAN ISLANDS) HOLDING CORP.

康師傅控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0322)

23 April 2025

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED CONTINUING CONNECTED TRANSACTIONS

We refer to the circular of the Company to the Shareholders dated 23 April 2025 (the “**Circular**”), in which this letter forms a part. Unless the context requires otherwise, capitalized terms used in this letter will have the same meanings given to them in the section headed “Definitions” of the Circular.

We have been authorised by the Board to form the Independent Board Committee to advise the Independent Shareholders on whether the terms of the Tingzheng Supply Agreement, the Marine Vision Supply Agreement and the Ting Tong Logistics Agreement (the “**Continuing Connected Transactions**”) and the relevant cap amounts thereunder are fair and reasonable so far as the Independent Shareholders are concerned.

We wish to draw your attention to the letter of advice from Somerley Capital Limited (“**Somerley**”), the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders on the terms of the Continuing Connected Transactions and the relevant cap amounts thereunder as set out on pages 20 to 43 of the Circular and the letter from the Board set out on pages 4 to 18 of the Circular.

Having considered, among other matters, the factors and reasons considered by, and the opinion of Somerley as stated in its letter of advice, we consider that the Continuing Connected Transactions were entered into in the ordinary and usual course of business of the Company, are on normal commercial terms and that the terms of the Continuing Connected Transactions are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Continuing Connected Transactions and the relevant annual caps thereunder.

Yours faithfully,

For and on behalf of

**The Independent Board Committee of
Tingyi (Cayman Islands) Holding Corp.**

Mr. Hsu Shin-Chun

Mr. Lee Tiong-Hock

Mr. Masaya Tochio

Independent Non-executive Directors

* For identification purposes only

LETTER FROM SOMERLEY

The following is the text of the letter of advice from Somerley to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.



SOMERLEY CAPITAL LIMITED

20th Floor

China Building

29 Queen's Road Central

Hong Kong

23 April 2025

*To: the Independent Board Committee and
the Independent Shareholders*

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS

We refer to our appointment to advise the Independent Board Committee and the Independent Shareholders in relation to (i) the purchase of flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries under the Tingzheng Supply Agreement, (ii) the purchase of carton box products from Marine Vision and its subsidiaries under the Marine Vision Supply Agreement, and (iii) the procurement of logistics services from Ting Tong and its subsidiaries under the Ting Tong Logistics Agreement (collectively, the “**Continuing Connected Transactions**”) and the relevant proposed annual caps thereunder (the “**Annual Caps**”), details of which are contained in the circular to the Shareholders published by the Company dated 23 April 2025 (the “**Circular**”), of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as defined in the Circular.

Each of Tingzheng, Marine Vision and Ting Tong is beneficially owned by family members and relatives of Mr. Wei Hong-Ming, the Chairman of the Board and an executive Director of the Company, and Mr. Wei Hong-Chen, an executive Director of the Company. Therefore, each of Tingzheng, Marine Vision and Ting Tong is a connected person of the Company for the purpose of Chapter 14A of the Listing Rules, and the transactions contemplated under the Tingzheng Supply Agreement, the Marine Vision Supply Agreement and the Ting Tong Logistics Agreement (collectively, the “**New CCT Agreements**”) will constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the proposed Annual Caps under the New CCT Agreements are expected to exceed 5%, the transactions contemplated under the New CCT Agreements are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM SOMERLEY

The Company will seek approval from the Independent Shareholders of the Continuing Connected Transactions and the Annual Caps in accordance with the requirements of the Listing Rules. As at the Latest Practicable Date, Mr. Wei Hong-Ming, Mr. Wei Hong-Chen and their associates were deemed to be interested in 1,892,927,866 Shares, representing approximately 33.6% of the issued Shares. In view of their interest in the Continuing Connected Transactions, Mr. Wei Hong-Ming, Mr. Wei Hong-Chen and their associates will abstain from voting on the proposed resolutions at the EGM to be convened to approve the Continuing Connected Transactions and the Annual Caps.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Lee Tiong-Hock, Mr. Hsu Shin-Chun and Mr. Masaya Tochio, has been formed to consider the terms of the Continuing Connected Transactions and the Annual Caps, and to advise and recommend the Independent Shareholders as to voting. We, Somerley, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

During the past two years, there was no engagement between the Company and Somerley. As at the Latest Practicable Date, there were no relationships or interests between (a) Somerley; and (b) the Company, Tingzheng, Marine Vision, Ting Tong and their respective subsidiaries and associates that could reasonably be regarded as a hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser.

In formulating our opinion and recommendation, we have relied on the information and facts supplied, and the opinions expressed, by the Directors and management of the Group and have assumed that such information, facts and opinions were true, accurate and complete in all material aspects and will remain so up to the time of the EGM. We have reviewed, among others, the relevant information contained in (i) the New CCT Agreements, (ii) the annual results announcement of the Company for the year ended 31 December 2024, and (iii) relevant information as contained in the Circular. We have also sought and received confirmation from the Directors that all material relevant information has been supplied to us and that no material facts have been omitted from the information supplied and opinions expressed to us. We have no reason to believe that any material information has been omitted or withheld from us, or to doubt the truth, accuracy or completeness of the information provided. We have relied on such information and consider that the information we have received is sufficient for us to reach an informed view. We have, however, not conducted any independent investigation into the business and affairs of the Company, Tingzheng, Marine Vision, Ting Tong or their respective subsidiaries or associates, nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation on the terms of the Continuing Connected Transactions and the Annual Caps, we have taken into account the following principal factors and reasons:

LETTER FROM SOMERLEY

INFORMATION ON THE PARTIES

The Group

The Group is principally engaged in the production and distribution of instant noodles and beverages in the PRC. As at 31 December 2024, the Group operates 75 production centers across the PRC, including locations in Tianjin, Hangzhou, Guangzhou, Shenyang and Chongqing. The Group's products are distributed through a nationwide sales network consisting of 357 sales offices and 271 warehouses, serving approximately 67,215 wholesalers and 220,623 direct retailers. Such extensive sales network is a primary driver behind the Group's emergence as one of the leading national brands and companies in China's food and beverage industry. Shares of the Company have been listed on the Stock Exchange since 1996, and the Company had a market capitalisation of approximately HK\$77.6 billion as at the Latest Practicable Date.

In 2023, the Group's revenue grew by approximately 2.2% year-on-year to approximately RMB80.4 billion and the profit attributable to the Shareholders grew by approximately 18.4% year-on-year to approximately RMB3.1 billion. In 2024, the Group's revenue further increased to approximately RMB80.7 billion, and the profit attributable to the Shareholders increased to approximately RMB3.7 billion. The growth was principally driven by improved gross profit margins in both instant noodles and beverages as a result of higher selling prices of the Group's products and favourable optimisation of raw materials and product mix.

As stated in its 2024 annual results, the Group has been, among others, continuously promoting product upgrades and structural adjustments, launching a series of new products to meet the diverse needs of customers for different occasions, and refining channel operation and marketing. These efforts have led to an increasing demand for high-quality and standardised packaging materials for the Group's products as well as logistics services from its production centres to regional wholesalers and direct retailers.

Tingzheng

Tingzheng is a limited liability company incorporated in the Cayman Islands. Tingzheng and its subsidiaries are principally engaged in the manufacture and sale of flexible plastic packaging materials and plastic products in the PRC. As set out in the letter from the Board, Tingzheng and its subsidiaries are among the leading producers of flexible plastic packaging materials and plastic products in the PRC.

Marine Vision

Marine Vision is a limited liability company incorporated in the British Virgin Islands. Marine Vision and its subsidiaries are principally engaged in the manufacture and sale of carton box products in the PRC. As set out in the letter from the Board, Marine Vision and its subsidiaries are among the leading producers of carton box products in the PRC.

Ting Tong

Ting Tong is a limited liability company incorporated in the Cayman Islands. Ting Tong and its subsidiaries are primarily engaged in the provision of logistics services in the PRC. As set out in the letter from the Board, Ting Tong and its subsidiaries are among the leading logistics services providers in the PRC.

LETTER FROM SOMERLEY

For further information on the counter-parties to the New CCT Agreements, please refer to the sections below headed “Background to and reasons for entering into the Tingzheng Supply Agreement”, “Background to and reasons for entering into the Marine Vision Supply Agreement” and “Background to and reasons for entering into the Ting Tong Logistics Agreement”.

(A) Tingzheng Supply Agreement

1. Background to and reasons for entering into the Tingzheng Supply Agreement

Tingzheng and its subsidiaries have been supplying flexible plastic packaging materials and plastic products to the Group for many years. These products include plastic wrapping films and containers, which are being used for wrapping or holding the Group’s instant noodles and beverages during the Group’s ordinary and usual course of business. Based on our discussions with the management of the Group, the Group has always been committed to food safety and quality guarantee, and it has a dedicated food safety and quality control team that strictly monitors the entire industry chain through the whole-process inspection. The main requirements for a supplier of flexible plastic packaging materials and plastic products include: (i) the ability to provide stable and sufficient quantities of high-quality food-grade products in a timely manner, and (ii) the ability to supply high-quality standardised products. Tingzheng and its subsidiaries have consistently met these requirements. The Group conducts visits to the production facilities of Tingzheng and its subsidiaries, and performs quality checks on their products regularly. Throughout the term under the 2022 Tingzheng Supply Agreement and up to the Latest Practicable Date, the Group has been satisfied with the quality of the products supplied by Tingzheng and its subsidiaries.

Currently, Tingzheng and its subsidiaries are among the largest suppliers of flexible plastic packaging materials and plastic products to the Group. According to its website, Tingzheng and its subsidiaries manufacture these materials and products in factories located in various regions, including Tianjin, Hangzhou and Chongqing, the PRC, which adequately cover the Group’s existing production centers. Given the long history of cooperation between two groups, Tingzheng and its subsidiaries are familiar with the Group’s packaging needs, such as custom packaging or specifications for different types of instant noodles and beverages, and are therefore able to offer efficient and tailor-made packaging solutions to the Group.

The current transactions between two groups are governed by the 2022 Tingzheng Supply Agreement, which was approved by the then independent shareholders of the Company at a shareholder’s meeting held on 13 June 2022. The 2022 Tingzheng Supply Agreement is due to expire on 31 December 2025. In light of the above, the Tingzheng Supply Agreement will be entered into upon approval by the Independent Shareholders, enabling the Group to continue to purchase flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries for its operation requirements in the three years commencing on 1 January 2026.

LETTER FROM SOMERLEY

According to the management of the Group, the Tingzheng Supply Agreement is non-exclusive in nature. The Group currently sources, and is expected to continue sourcing, flexible plastic packaging materials and plastic products from other suppliers to cater for its business needs. Entering into the Tingzheng Supply Agreement affords the Group with the flexibility and the option to continue purchasing flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries.

2. Principal terms of the Tingzheng Supply Agreement

Summarised below are the principal terms of the Tingzheng Supply Agreement. Management of the Group has confirmed to us that the principal terms, including pricing and payment terms, are the same as those under the 2022 Tingzheng Supply Agreement. Further details are disclosed in the letter from the Board.

General

The Tingzheng Supply Agreement will be entered into between the Company and Tingzheng upon approval by the Independent Shareholders at the EGM. Pursuant to the Tingzheng Supply Agreement, the Group will purchase flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries. The Tingzheng Supply Agreement has a term of three years, commencing on 1 January 2026 and ending on 31 December 2028.

Pricing terms

Pursuant to the Tingzheng Supply Agreement, the price will be based on the quoted price for the flexible plastic packaging materials and plastic products to be supplied. Such quoted price will be determined on a quarterly basis based on arm's length negotiations between the parties and on normal commercial terms, with reference to:

- (i) the prevailing market price for the same or substantially similar products, taking into account the price of the same or substantially similar products with comparable order quantities and quality offered by independent third-party suppliers;
- (ii) if there are insufficient comparable transactions to (i) above, on normal commercial terms comparable to those received from independent third-party suppliers in respect of the same or substantially similar products with comparable quantities and quality; and
- (iii) if both (i) and (ii) above are not applicable, by reference to the average price of similar products previously purchased by the Group, and on normal commercial terms which are no less favourable to the Group than that are available from independent third-party suppliers.

For further details of the execution of pricing policy, such as the internal supervision and monitoring by the relevant departments of the Group, please refer to the section below headed "Internal Control Procedures".

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Payment terms

Under the Tingzheng Supply Agreement, the payment will be calculated on a monthly basis upon delivery of the flexible plastic packaging materials and plastic products, with credit terms of 60 days. The payment will be made on the monthly payment day specified by the Group after the end of the credit terms.

As confirmed with the management of the Group, the same payment procedures have been implemented under the 2022 Tingzheng Supply Agreement, which are the same as those applicable to independent third-party suppliers with comparable size, and as such the payment terms under the Tingzheng Supply Agreement are no less favourable to the Group than those applicable to independent third-party suppliers.

Comparison of terms with other independent third-party suppliers

We have discussed with the management of the Group the key terms of the Tingzheng Supply Agreement, and were informed that in general, the flexible plastic packaging materials and plastic products for a particular instant noodle or beverage product are intended to be manufactured by a single supplier, potentially Tingzheng and its subsidiaries or an independent third-party supplier, in order to ensure that the flexible plastic packaging materials and plastic products remain strictly consistent in safety, quality and design, which is a crucial production strategy for the Group. Although the flexible plastic packaging materials and plastic products sourced from Tingzheng and its subsidiaries may not be identical to those sourced from independent third-party suppliers, mainly due to differences in factors, such as application, size and printing, the Group considers them to be generally similar products. As advised by the management of the Group, since the flexible plastic packaging materials and plastic products from different suppliers are made from similar raw materials, the Group would also evaluate the underlying costs of major raw materials when determining whether the pricing terms for products in different specifications are on normal commercial terms.

In this regard, the management of the Group informed us that the purchasing department of the Group (the “**Purchasing Department**”) would request different suppliers (including Tingzheng and its subsidiaries) of flexible plastic packaging materials and plastic products to submit price quotations for their products and the underlying cost analysis of major raw materials (for example, crude oil and PET (Polyethylene terephthalate)) and overhead costs on a quarterly basis. These quotations are compared against (i) the historical transaction prices, (ii) the market price trend analysis of such raw materials, and (iii) the price quotations as available from not less than two other independent third-party suppliers, to ensure that the pricing of the final products is on normal commercial terms and no less favourable to the Group than those offered by other independent third-party suppliers. The prices of flexible plastic packaging materials and plastic products related to a particular instant noodle and beverage product are then negotiated and determined with reference to the abovementioned price quotations and relevant specifications, and subsequently approved by the head of business unit and applied in the following quarter. We have reviewed the price quotations obtained by the Group from Tingzheng and its subsidiaries and two selected independent third-party suppliers for the

LETTER FROM SOMERLEY

four quarters in 2024, and note that the quoted prices of the products with comparable specifications and the underlying costs of major raw materials from Tingzheng and its subsidiaries are generally no less favourable to the Group than those from independent third-party suppliers.

Based on the above, particularly the high correlation between the pricing of flexible plastic packaging materials and plastic products and the quoted prices of the underlying costs of major raw materials, we concur with management of the Group that such pricing comparison in determining the final price of relevant flexible plastic packaging materials and plastic products is fair and reasonable. In addition, we have obtained selected quotes, including (i) four quarterly quotes obtained by the Group from Tingzheng and its subsidiaries, and (ii) four quarterly quotes obtained by the Group from each of two selected independent third-party suppliers, for the purchase of similar flexible plastic packaging materials and plastic products during the period from 1 January 2024 to 31 December 2024, and note that the credit terms are broadly consistent. On the basis that the abovementioned quotes reviewed by us cover different flexible plastic packaging materials and plastic products, in terms of application, size and printing, which are carried out at different times throughout the review period, we consider the selected samples to be fair and representative.

3. The annual caps under the Tingzheng Supply Agreement

Review of historical transactions

Set out below are the historical transaction amounts for the purchase of flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries, for the years ended 31 December 2023 and 2024, and for the two months ended 28 February 2025:

(RMB million)	For the year ended 31 December		For the two months
	2023	2024	ended 28 February 2025
Historical transaction amounts	1,950	1,850	251
Relevant annual caps	2,700	3,000	3,300
Utilisation rates	72.2%	61.7%	45.6%
			(Note)

Note: Utilisation rate for the two months ended 28 February 2025 is based on the relevant two-month transaction amount and pro rata annual cap amount.

LETTER FROM SOMERLEY

As set out in the table above, the historical purchase of flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries decreased by approximately 5.1% year-on-year to approximately RMB1,850 million in 2024 and amounted to approximately RMB251 million in the first two months of 2025. The relevant annual caps for 2023 and 2024 were fairly utilised, at approximately 72.2% and 61.7%, respectively. Based on our discussions with the management of the Group, the decrease in 2024 was primarily attributable to (i) the decline in the prices of flexible plastic packaging materials and plastic products, mainly driven by lower prices of major raw materials (such as crude oil), and (ii) to a lesser extent, the reduction in purchase volume of flexible plastic packaging materials and plastic products supplied by Tingzheng and its subsidiaries.

Assessment of the annual caps under the Tingzheng Supply Agreement

The annual caps under the Tingzheng Supply Agreement (the “**Tingzheng Annual Cap(s)**”) are proposed to be RMB2,210 million, RMB2,430 million and RMB2,670 million for years 2026, 2027 and 2028 respectively. We note that the Tingzheng Annual Cap in 2026 represents a compound annual growth rate of approximately 9.3% as compared to the actual transaction amount of approximately RMB1,850 million in 2024, and the Tingzheng Annual Caps in 2027 and 2028 also represent annual increases of approximately 10.0%.

In order to assess the reasonableness of the Tingzheng Annual Caps, we have obtained and discussed with the management of the Group the underlying projections for the purchase of flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries, including the related bases and assumptions. In determining the Tingzheng Annual Caps, the Group has mainly taken into account (a) the historical transaction amounts with Tingzheng and its subsidiaries, as explained in the sub-section above, (b) the Group’s anticipated demand for flexible plastic packaging materials and plastic products to be supplied by Tingzheng and its subsidiaries, and (c) the expected increase in the unit cost of raw materials for flexible plastic packaging materials and plastic products in the coming three years, which is primarily driven by the crude oil price.

With continuous core product upgrades and the introduction of new innovative products, the Group anticipates that the demand for its products will increase, and as a result the Group’s demand for flexible plastic packaging materials and plastic products supplied by Tingzheng and its subsidiaries, will recover in 2025 and continue to grow at approximately 5% to 6% in terms of purchase volume for each of the next three years.

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The unit cost of raw materials for flexible plastic packaging materials and plastic products is expected to increase moderately by approximately 3% to 4% in each of the coming three years. Based on the historical unit prices of flexible plastic packaging materials and plastic products quoted by Tingzheng and its subsidiaries and independent third-party suppliers, the unit prices have been trending downwards since 2023, but tended to stabilise since the second half of 2024, and it is anticipated that the unit prices will rise steady in the near future. In this context, we observe that according to the data published by the National Bureau of Statistics of China (as retrieved from its website at https://www.stats.gov.cn/english/PressRelease/202501/t20250107_1958155.html and https://www.stats.gov.cn/english/PressRelease/202504/t20250408_1959247.html on the Latest Practicable Date), the Purchasing Managers' Index ("PMI") of China's manufacturing industry remained at 49.0 in 2023, and it has shown continuous expansion since the second half of 2024, exceeding 50 for the past three consecutive months and staying at 50.1 in December 2024. Moreover, the new order index, a sub-index covered under the PMI, rose from 50.0 in October 2024 to 51.0 in December 2024. The PMI and the new order index stood at 50.5 and 51.8 respectively in March 2025.

Apart from the PMI as mentioned above, we also note that the price of Brent Crude, a global benchmark of crude oil, which fell from a recent year high of approximately US\$120 per barrel in June 2022, were relatively stable in 2024, closing at approximately US\$75.0 per barrel by the end of 2024. The price of Brent Crude fluctuated during the first four months of 2025, reaching US\$82.0 per barrel in mid-January 2025 and then dipping to approximately US\$62.8 per barrel in early April, before closing at approximately US\$65.9 per barrel on the Latest Practicable Date (sourced from Bloomberg). For a longer term oil demand projection, we have reviewed a report titled "2024 World Oil Outlook 2050" (as retrieved from its website at <https://publications.opec.org/woo> on the Latest Practicable Date) published by the Organisation of the Petroleum Exporting Countries, members of which include major oil-exporting nations around the world, stating that global oil demand is projected to reach approximately 112.3 million barrels per day in 2029, representing an increase of approximately 10.1 million barrels per day compared to 2023. Such increasing global oil demand may drive up future crude oil prices.

In our view, it is difficult for management of the Group to accurately estimate the future changes in the unit cost of flexible plastic packaging materials and plastic products. However, references were made above regarding the recent rise of PMI in the PRC, which indicated an improvement in manufacturing industry, and the expected increase in global demand of crude oil, a major source of raw material for producing plastic products. Having considered the above, the management of the Group expects, and we concur, that an expected annual increase of approximately 3% to 4% in future unit cost of flexible plastic packaging materials and plastic products should be factored in when arriving at the Tingzheng Annual Caps.

To assess the overall reasonableness of the Tingzheng Annual Caps, we have reviewed the historical growth of the Group's sales, and note from the Company's annual results and reports that the overall sales amount of the Group's instant noodles and beverages increased from approximately RMB60.9 billion in 2019 to approximately RMB80.0 billion

LETTER FROM SOMERLEY

in 2024, at a compound annual growth rate of approximately 5.6%. The anticipated growth of the Group's demand for flexible plastic packaging materials and plastic products in the next three years is not materially different from the above historical compound annual growth rate of the Group's overall sales amount of its instant noodles and beverages.

Having considered (i) the historical transaction amounts between the Group and Tingzheng and its subsidiaries, (ii) the Group's historical revenue growth from its instant noodles and beverages, (iii) the anticipated sales volume growth in demand of the Group's instant noodles and beverages in the coming three years, which in turn leading to higher demand for flexible plastic packaging materials and plastic products, and (iv) the expected increase in the unit cost of raw materials for flexible plastic packaging materials and plastic products, as discussed above, we concur with the management of the Group's view and consider the Tingzheng Annual Caps to be fair and reasonable.

(B) Marine Vision Supply Agreement

1. Background to and reasons for entering into the Marine Vision Supply Agreement

Marine Vision and its subsidiaries have been supplying carton box products to the Group for many years, and are currently one of the Group's largest suppliers in this aspect. These carton box products, such as corrugated carton boxes, are used for packaging the Group's products for storage and transportation during its ordinary and usual course of business. Based on our discussions with the management of the Group, (i) the Group has always been committed to food safety and quality guarantee, setting high standards for its suppliers, and (ii) Marine Vision and its subsidiaries have been offering competitive prices and providing stable and sufficient quantities of carton box products that meet the Group's specifications in a timely manner. Similar to the case of Tingzheng as discussed in the earlier section, the Group conducts visits to the production facilities of Marine Vision and its subsidiaries, and performs quality checks on their products regularly. Throughout the term under the 2022 Marine Vision Supply Agreement and up to the Latest Practicable Date, the Group has been satisfied with the quality of the products supplied by Marine Vision and its subsidiaries.

According to its website, Marine Vision and its subsidiaries specialise in the production of environmentally friendly corrugated carton boxes and offers one-stop packaging service solutions to their customers. Marine Vision and its subsidiaries operate 15 factories located in Tianjin, Hangzhou, Chongqing and other 10 cities in the PRC, which adequately cover the Group's existing production centers. Given the long history of cooperation between two groups, Marine Vision and its subsidiaries are familiar with the Group's packaging needs, such as custom packaging or specifications for different types of carton boxes for instant noodles and beverages, and are therefore able to offer efficient and tailor-made packaging solutions to the Group.

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The current transactions between the two groups are governed by the 2022 Marine Vision Supply Agreement, which was approved by the then independent shareholders of the Company at a shareholder's meeting held on 13 June 2022. The 2022 Marine Vision Supply Agreement is due to expire on 31 December 2025. In light of the above, the Marine Vision Supply Agreement will be entered upon approval by the Independent Shareholders, enabling the Group to continue purchasing carton box products from Marine Vision and its subsidiaries for its operation requirements in the three years commencing on 1 January 2026.

According to the management of the Group, the Marine Vision Supply Agreement is non-exclusive in nature. The Group currently sources, and is expected to continue sourcing, carton box products from other suppliers to meet its needs. Entering into the Marine Vision Supply Agreement affords the Group with the flexibility and the option to continue purchasing carton box products from Marine Vision and its subsidiaries.

2. Principal terms of the Marine Vision Supply Agreement

Summarised below are the principal terms of the Marine Vision Supply Agreement. Management of the Group has confirmed to us that the principal terms, including pricing and payment terms, are the same as those under the 2022 Marine Vision Supply Agreement. Further details are disclosed in the letter from the Board.

General

The Marine Vision Supply Agreement will be entered into between the Company and Marine Vision upon approval by the Independent Shareholders at the EGM. Pursuant to the Marine Vision Supply Agreement, the Group will purchase carton box products from Marine Vision and its subsidiaries. The Marine Vision Supply Agreement has a term of three years, commencing on 1 January 2026 and ending on 31 December 2028.

Pricing terms

Pursuant to the Marine Vision Supply Agreement, the price will be based on the quoted price for carton box products to be supplied. Such quoted price will be determined on a quarterly basis based on arm's length negotiations between the parties and on normal commercial terms, with reference to:

- (i) the prevailing market price for the same or substantially similar products, taking into account the price of the same or substantially similar products with comparable order quantities and quality offered by independent third-party suppliers;
- (ii) if there are insufficient comparable transactions to (i) above, on normal commercial terms comparable to those received from independent third-party suppliers in respect of the same or substantially similar products with comparable quantities and quality; and

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- (iii) if both (i) and (ii) above are not applicable, by reference to the average price of similar products previously purchased by the Group, and on normal commercial terms which are no less favourable to the Group than that are available from independent third-party suppliers.

For further details of the execution of pricing policy, such as the internal supervision and monitoring by the relevant departments of the Group, please refer to the section below headed “Internal Control Procedures”.

Payment terms

Under the Marine Vision Supply Agreement, the payment will be calculated on a monthly basis upon delivery of carton box products, with credit terms of 60 days. The payment will be made on the monthly payment day specified by the Group after the end of the credit terms.

As confirmed with the management of the Group, the same payment procedures have been implemented under the 2022 Marine Vision Supply Agreement, which are the same as those applicable to independent third-party suppliers with comparable size, and as such the payment terms under the Marine Vision Supply Agreement are no less favourable to the Group than those applicable to independent third-party suppliers.

Comparison of terms with other independent third-party suppliers

We have discussed with the management of the Group the key terms of the Marine Vision Supply Agreement, and were informed that the Purchasing Department would request different suppliers (including Marine Vision and its subsidiaries) of carton box products to submit price quotations for their products and the underlying cost analysis of major raw materials (such as waste paper and paper pulp) and overhead costs on a quarterly basis. These quotations are compared against (i) the historical transaction prices, (ii) the market price trend analysis of such raw materials, and (iii) the price quotations as available from not less than two other independent third-party suppliers, to ensure that the pricing of the final products is on normal commercial terms and no less favourable to the Group than those offered by other independent third-party suppliers. The prices of carton box products will be negotiated and determined with reference to the abovementioned price quotations, and then be approved by the head of business unit and applied in the following quarter. We have reviewed the price quotations obtained by the Group from Marine Vision and its subsidiaries and two selected independent third-party suppliers for the four quarters in 2024, and note that the quoted prices of the products with comparable specifications and the underlying cost of major raw materials from Marine Vision and its subsidiaries are generally no less favourable to the Group than those from independent third-party suppliers.

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Based on the above, particularly the high correlation between the pricing of carton box products and the quoted prices of the underlying costs of major raw materials, we concur with management of the Group that such pricing comparison in determining the final price of relevant carton box products is fair and reasonable. In addition, we have obtained selected quotes, including (i) four quarterly quotes obtained by the Group from Marine Vision and its subsidiaries, and (ii) four quarterly quotes obtained by the Group from each of two selected independent third-party suppliers, for the purchase of similar carton box products during the period from 1 January 2024 to 31 December 2024, and note that the credit terms are broadly consistent. On the basis that the abovementioned quotes reviewed by us cover carton box products with different specifications, which are carried out at different times throughout the review period, we consider the selected samples to be fair and representative.

3. The annual caps under the Marine Vision Supply Agreement

Review of historical transactions

Set out below are the historical transaction amounts for the purchase of carton box products from Marine Vision and its subsidiaries, for the years ended 31 December 2023 and 2024, and for the two months ended 28 February 2025:

(RMB million)	For the year ended 31 December		For the two months
	2023	2024	ended 28 February 2025
Historical transaction amounts	2,140	1,920	295
Relevant annual caps	3,100	3,600	4,100
Utilisation rates	69.0%	53.3%	43.2%
			(Note)

Note: Utilisation rate for the two months ended 28 February 2025 is based on the relevant two-month transaction amount and pro rata annual cap amount.

As set out in the table above, the historical purchase of carton box products from Marine Vision and its subsidiaries decreased by approximately 10.3% year-on-year to approximately RMB1,920 million in 2024 and amounted to approximately RMB295 million in the first two months of 2025. The annual caps for 2023 and 2024 were utilised as to approximately 69.0% and 53.3% respectively. Based on our discussions with the management of the Group, the decrease in 2024 was primarily due to the lower unit cost of raw materials for carton box products, which in turn was mainly affected by the lower domestic waste paper and paper pulp prices resulting from, among others, the increased capacity in the China paper industry.

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Assessment of the annual caps under the Marine Vision Supply Agreement

The annual caps under the Marine Vision Supply Agreement (the “**Marine Vision Annual Cap(s)**”) are proposed to be RMB2,340 million, RMB2,580 million and RMB2,830 million for years 2026, 2027 and 2028 respectively. We note that the Marine Vision Annual Cap in 2026 represents a compound annual growth rate of approximately 10.4% as compared to the actual transaction amount of approximately RMB1,920 million in 2024, and the Marine Vision Annual Caps in 2027 and 2028 represent annual increases of approximately 10.3% and 9.7% respectively.

In order to assess the reasonableness of the Marine Vision Annual Caps, we have obtained and discussed with the management of the Group the underlying projections for the purchase of carton box products from Marine Vision and its subsidiaries, including the related bases and assumptions. In determining the Marine Vision Annual Caps, the Group has mainly taken into account (a) the historical transaction amounts with Marine Vision and its subsidiaries, as explained in the sub-section above, (b) the Group’s anticipated demand for carton box products to be supplied by Marine Vision and its subsidiaries, and (c) the expected increase in the unit cost of raw materials for carton box products in the coming three years, which is primarily driven by the paper pulp prices.

As advised by the management of the Group, considering its continuous measures and efforts made to drive future sales volume growth, the Group anticipates an increase in demand for carton box products supplied by Marine Vision and its subsidiaries in 2025, with an annual growth rate of approximately 5% to 6% in terms of purchase volume for each of the next three years. Such expected volume growth is comparable with that of the purchase of flexible plastic packaging materials and plastic products under the Tingzheng Annual Caps.

On the other hand, the unit cost of raw materials for carton box products is expected to increase moderately by approximately 3% to 4% in each of the coming three years. According to the data published by the National Bureau of Statistics of China (as retrieved from its website at https://www.stats.gov.cn/english/PressRelease/202501/t20250114_1958198.html and https://www.stats.gov.cn/english/PressRelease/202504/t20250414_1959291.html on the Latest Practicable Date), the purchasing prices for Timber and Paper Pulp decreased by approximately 3.1% in 2023, 2.3% in 2024 and 2.5% in the first three months of 2025, compared to the respective previous years, indicating a narrowing downward trend in general. Recent independent research on the China paper industry suggests that market prices for domestic waste papers have shown signs of recovery. In addition, a number of Chinese manufacturers in the industry have announced several price increases for various paper products, including corrugated paper products, in response to rising manufacturing and operating costs, starting from in the second half of 2024. To substantiate this trend, we have also obtained and reviewed the historical unit prices of carton box products quoted by the selected independent third-party suppliers, and note that their quoted prices in the fourth quarter of 2024 were generally higher than that in the previous quarter, with increases roughly in the range of approximately 2.3% to 4.6% on a quarter-on-quarter

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basis. On the basis of the above, in particular following the recent rebound in the unit cost of raw materials, we concur with the Group that an expected annual increase of approximately 3% to 4% in future unit cost of carton box products should be factored in when arriving at the Marine Vision Annual Caps.

To assess the overall reasonableness of the Marine Vision Annual Caps, we have reviewed the historical growth of the Group's sales, and note that the overall sales amount of the Group's instant noodles and beverages at a compound annual growth rate of approximately 5.6% from 2019 to 2024. The anticipated growth of the Group's demand for carton box products in the next three years is not materially different from the above growth rate of the Group's overall sales amount of its instant noodles and beverages.

Having considered (i) the historical transaction amounts between the Group and Marine Vision and its subsidiaries, (ii) the Group's historical revenue growth from its instant noodles and beverages, (iii) the anticipated sales volume growth in demand of the Group's instant noodles and beverages in the coming three years, which in turn leading to higher demand for carton box products, and (iv) the expected rise in unit cost of raw materials for carton box products, as discussed above, we concur with the management of the Group's view and consider the Marine Vision Annual Caps to be fair and reasonable.

(C) Ting Tong Logistics Agreement

1. Background to and reasons for entering into the Ting Tong Logistics Agreement

Ting Tong and its subsidiaries have been providing captive logistics services to the Group for many years. The Group has always been committed to food safety and quality guarantee, setting high standards for its service providers, such as the ability to deliver stable and sufficient quantities of high-quality standardised services in a timely manner. The Group has been satisfied with the logistics services provided by Ting Tong and its subsidiaries during the term of the 2022 Ting Tong Logistics Agreement and up to the Latest Practicable Date.

According to its website, Ting Tong and its subsidiaries maintain a nationwide logistics network covering over 270 cities in the PRC, with more than 400 logistics distribution centres and warehouse spaces of over 1 million square meters. Such logistics network covers the Group's production centers as well as downstream wholesalers' warehouses and retailers' stores, allowing Ting Tong and its subsidiaries provide timely and stable supply of high quality standardised captive logistics services to the Group.

The current logistics services provided by Ting Tong and its subsidiaries to the Group are governed by the 2022 Ting Tong Logistics Agreement, which was approved by the then independent shareholders of the Company at a shareholder's meeting held on 13 June 2022. The 2022 Ting Tong Logistics Agreement is due to expire on 31 December 2025. In light of the above, the Ting Tong Logistics Agreement will be entered upon approval by the Independent Shareholders, allowing the Group to continue procuring captive logistics services from Ting Tong and its subsidiaries for its operation requirements in the three years commencing on 1 January 2026.

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According to the management of the Group, the Ting Tong Logistics Agreement is non-exclusive in nature. The Group currently sources, and is expected to continue sourcing, logistics services from other independent logistics services providers to meet its needs. Entering into the Ting Tong Logistics Agreement affords the Group with the flexibility and the option to continue procuring logistics services from Ting Tong and its subsidiaries.

2. Principal terms of the Ting Tong Logistics Agreement

Summarised below are the principal terms of the Ting Tong Logistics Agreement. Management of the Group has confirmed to us that the principal terms, including pricing and payment terms, are the same as those under the 2022 Ting Tong Logistics Agreement. Further details are disclosed in the letter from the Board.

General

The Ting Tong Logistics Agreement will be entered into between the Company and Ting Tong upon approval by the Independent Shareholders at the EGM. Pursuant to the Ting Tong Logistics Agreement, the Group will procure logistics services from Ting Tong and its subsidiaries. The Ting Tong Logistics Agreement has a term of three years, commencing on 1 January 2026 and ending on 31 December 2028.

Pricing terms

Pursuant to the Ting Tong Logistics Agreement, the service fee will be based on the quoted price for the logistics services to be provided. Such quoted price will be determined on a quarterly basis based on arm's length negotiations between the parties and on normal commercial terms, with reference to:

- (i) the prevailing market price for the same or substantially similar services, taking into account the service fee of the same or substantially similar services with comparable scope and level of services offered by independent third-party logistics services providers;
- (ii) if there are insufficient comparable transactions to (i) above, on normal commercial terms comparable to those received from independent third-party logistics services providers in respect of the same or substantially similar services with comparable scope and level of services; and
- (iii) if both (i) and (ii) above are not applicable, by reference to the average price of similar services previously procured by the Group, and on normal commercial terms which are no less favourable to the Group than that are available from independent third party-logistics services providers.

For further details of the execution of pricing policy, such as the internal supervision and monitoring by the relevant departments of the Group, please refer to the section below headed "Internal Control Procedures".

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Payment terms

Under the Ting Tong Logistics Agreement, the payment will be calculated on a monthly basis upon completion of the logistics services, with credit terms of 30 days. The payment will be made on the monthly payment day specified by the Group after the end of the credit terms.

As confirmed with the management of the Group, the same payment procedures have been implemented under the 2022 Ting Tong Logistics Agreement, and are the same as those applicable to independent third-party logistics services providers with comparable size, and as such the payment terms under the Ting Tong Logistics Agreement are no less favourable to the Group than those applicable to independent third-party logistics services providers.

Comparison of terms with other independent third-party logistics services providers

We have discussed with the management of the Group the key terms of the Ting Tong Logistics Agreement, and were informed that the Purchasing Department would request different providers (including Ting Tong and its subsidiaries) of logistics services to submit fee quotations for their services on a quarterly basis. These quotations are compared against those from not less than two other independent third-party logistics services providers to ensure that the pricing of logistics services is on normal commercial terms and no less favourable to the Group than those offered by other independent third-party logistics services providers. We understand from the management of the Group that the quoted service fee may vary depending on the weight and size of the products and the distance of delivery. The service fee of logistics services will be negotiated and determined with reference to the abovementioned service fee quotations, and then be approved by the head of business unit and applied in the upcoming quarter. We have reviewed the fee quotations obtained by the Group from Ting Tong and its subsidiaries, and two selected independent third-party logistics services providers for the four quarters in 2024, and note that the quoted service fees of logistics services from Ting Tong and its subsidiaries for different distance of delivery are generally no less favourable to the Group than those from independent third-party logistics services providers. Based on the above, we concur with management of the Group that the above pricing comparison in determining the final service fee of relevant logistics service is fair and reasonable. In addition, we have obtained quotes, including (i) four quarterly quotes obtained by the Group from Ting Tong and its subsidiaries, and (ii) four quarterly quotes obtained by the Group from each of two selected independent third-party logistics services providers, for the logistics services during the period from 1 January 2024 to 31 December 2024, and note that the credit terms are broadly consistent. On the basis that the abovementioned quotes reviewed by us cover different distance of delivery routes, which are carried out at different times throughout the review period, we consider the selected samples to be fair and representative.

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3. The annual caps under the Ting Tong Logistics Agreement

Review of historical transactions

Set out below are the historical transaction amounts for the procuring of the logistics services from Ting Tong and its subsidiaries, for the years ended 31 December 2023 and 2024, and for the two months ended 28 February 2025:

(RMB million)	For the year ended 31 December		For the two months
	2023	2024	ended 28 February 2025
Historical transaction amounts	1,985	1,873	265
Relevant annual caps	3,200	3,700	4,200
Utilisation rates	62.0%	50.6%	37.9%

(Note)

Note: Utilisation rate for the two months ended 28 February 2025 is based on the relevant two-month transaction amount and pro rata annual cap amount.

As set out in the table above, the historical procurement of logistics services from Ting Tong and its subsidiaries decreased by approximately 5.6% year-on-year to approximately RMB1,873 million in 2024 and amounted to approximately RMB265 million in the first two months of 2025. The annual caps for 2023 and 2024 were utilised as to approximately 62.0% and 50.6% respectively. Based on our discussions with the management of the Group, the slight decrease in logistics services for 2024 was mainly due to the improved efficiency by improving the vehicles full-load rates and optimised delivery routes, primarily resulting from adjustments made to certain underperforming wholesalers in past years by reducing their numbers or optimising their scope of services.

Assessment of the annual caps under the Ting Tong Logistics Agreement

The annual caps under the Ting Tong Logistics Agreement (the “**Ting Tong Annual Caps**”) are proposed to be RMB2,330 million, RMB2,580 million and RMB2,840 million for years 2026, 2027 and 2028 respectively. We note that the Ting Tong Annual Cap in 2026 represents a compound annual growth rate of approximately 11.5% as compared to the actual transaction amount of approximately RMB1,873 million in 2024, and the Ting Tong Annual Caps in 2027 and 2028 represent annual increases of approximately 10.7% and 10.1% respectively.

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In order to assess the reasonableness of the Ting Tong Annual Caps, we have obtained and discussed with the management of the Group the underlying projections for the procurement of logistics services from Ting Tong and its subsidiaries, including the related bases and assumptions. In determining the Ting Tong Annual Caps, the Group has mainly taken into account (a) the historical transaction amounts with Ting Tong and its subsidiaries, as explained in the sub-section above, (b) the Group's anticipated demand for captive logistics services to be provided by Ting Tong and its subsidiaries, and (c) the expected increase in the unit service fees for logistics services in the coming three years, which is primarily driven by the gasoline and diesel oil prices.

We understand from the management of the Group that in light of the different consumption needs in various scenarios and the transformation of consumers' shopping behaviours, the Group has been diversifying consumption scenarios and sales channels, including warehouse membership stores and discount stores. These measures are expected to drive the sales volume growth of the Group's products, leading to the Group's higher demand for captive logistics services from Ting Tong and its subsidiaries. The Group expects that the demand for captive logistics services provided by Ting Tong and its subsidiaries will gradually increase in 2025, with a further annual growth rate of approximately 5% to 6% in terms of volume for each of the next three years. Such expected volume growth is comparable with that of the purchase of flexible plastic packaging materials and plastic products under the Tingzheng Annual Caps and the purchase of carton box products under the Marine Vision Annual Caps.

Further, in determining the Ting Tong Annual Caps, the Group assumes an increase in the unit service fees for logistics services of approximately 4% to 5% in each of the next three years. In this aspect, we note that according to the data published by the China Federation of Logistics and Purchasing, an social organization of logistics industry in China that was established in Beijing and approved by the State Council of the PRC (as retrieved from its website at <http://www.chinawuliu.com.cn/lhhzq/202501/06/643402.shtml> and <http://www.chinawuliu.com.cn/lhhzq/202504/04/648138.shtml> on the Latest Practicable Date), the China's road logistics price index (中國公路物流運價指數) has shown a steady upward trend, increasing from 103.1 points at the end of 2022 to 105.9 points at the end of 2024. At the end of March 2025, such index stood at 104.7 points, as compared to 102.5 points at the same time a year earlier.

We are given to understand that an allowance has been made in the assumed unit service fees, in order to account for the potential fluctuations of gasoline and diesel prices in the PRC, which are the primary factors affecting the unit service fees of logistics services. We observe that there were significant price fluctuations over the past two years, as evidenced by the differences between the highest and lowest prices of gasoline and diesel in the PRC as published by the National Development and Reform Commission of the PRC, being approximately 15.7% and 17.2%, respectively, during 2023 and 2024. Given all these factors as mentioned above, we concur with the Group that an expected annual increase of approximately 4% to 5% in future unit service fees for logistics services should be factored in when arriving at the Ting Tong Annual Caps.

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Having considered (i) the historical transaction amounts between the Group and Ting Tong and its subsidiaries, (ii) the anticipated growth in demand of the Group's logistics services in the coming three years, driven by the continuous measures to drive sales volume growth of its instant noodles and beverages, and (iii) the expected rise in the unit service fees for logistics services, as discussed above, we concur with the management of the Group's view and consider the Ting Tong Annual Caps to be fair and reasonable.

Our general view on the Annual Caps

Tingzheng, Marine Vision and Ting Tong and their respective subsidiaries have long been major suppliers or logistics services providers of the Group. Their products and services are crucial for the Group's principal businesses of production and distribution of instant noodles and beverages. We note the small reductions in historical transactions with the above entities, which were mainly due to lower unit prices for the relevant products and/or services, in turn driven by decreases in the costs of raw materials such as crude oil and waste paper. However, as discussed in the relevant sections above, there are certain signals of recovery/rebound in recent quarters of 2024. Coupled with the Group's continuous measures and efforts to drive its business growth, management of the Group has generally incorporated an annual growth factor of approximately 10% in estimating the future annual caps for the years 2026, 2027 and 2028, which we consider to be reasonable.

It is difficult for the management of the Group to estimate the future transaction value with a high level of certainty. Provided that the Continuing Connected Transactions are subject to annual review by the independent non-executive Directors and auditors of the Company, as required under the Listing Rules and other internal control procedures to safeguard the Group's interest (as summarised in the section below headed "Internal Control Procedures"), the Group would have desirable flexibility in conducting its business if the relevant Annual Caps are tailored to future business activities. This is especially so given that the transactions under the New CCT Agreements represents crucial raw material and processes in the Group's principal businesses of production and distribution of instant noodles and beverages in the PRC. In assessing the reasonableness of the relevant Annual Caps, we have discussed with the management of the Group the factors taken into account as stated earlier sections. We consider it reasonable for the Group to use the above factors in determining the relevant Annual Caps, and it is in the interests of the Company and the Shareholders to determine the relevant Annual Caps in a way that can accommodate the potential growth of the Group's revenue.

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INTERNAL CONTROL PROCEDURES

As set out in the letter from the Board, in order for the Group to ensure that the terms of the Continuing Connected Transactions are fair and reasonable and no less favourable to the Group than those available to/from independent third parties, the Group has the following internal control procedures in place under which:

Internal control and pricing policies

- (i) the Group maintains a list of carefully selected suppliers and service providers. The list is regularly reviewed and updated. For a supplier or service provider to become listed, the Group will initially conduct and must be satisfied with the on-site visits to the supplier or service provider. The supplier or service provider must also have a good track record with the Group in terms of the quality of the products supplied or the services provided, which is reviewed by the quality assurance team of the Group (the “**Quality Assurance Department**”). The supplier or service provider must have also had a track record of at least one year. Further, if the supplier or service provider has not supplied any products or provided any services to the Group for more than a year, the supplier or service provider will be delisted from the Group’s supplier/service provider list and the Group will initiate the full selection procedure (including on-site visits and quality checks) for the supplier or service provider to be relisted onto the supplier/service provider list;
- (ii) with respect to any potential orders, the research and development department of the Group (the “**R&D Department**”) or the Purchasing Department will first discuss and formulate the details of the specifications of the order (including materials, safety, functions and specification for the relevant products, and the scope and level of the relevant services);
- (iii) after such formulation by the R&D Department or the Purchasing Department, based on their experience and taking into account similar purchase made or similar services procured by the Group, the Purchasing Department will obtain quotations from the supplier or service provider on a quarterly basis and also select not less than two and on average about three other suppliers or service providers from the Group’s supplier/service provider list which are independent third parties for quotations in order to ascertain the prevailing market price in accordance with the pricing policies as set out under the supply agreement or service agreement;
- (iv) the selection criteria of the suppliers or service providers will be based on their quotation, delivery times, payment terms, specifications, quality, safety and recent performance;
- (v) upon delivery of the products or upon completion of the services (whether by a connected person or an independent third party), the Quality Assurance Department will conduct checks to review (including but not limited to quality and safety) and assess whether the products have been supplied or the services have been provided in accordance with the terms of each agreement; and

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- (vi) the price of the products supplied by the suppliers and the services provided by the service providers will be determined based on the pricing policies set out in the sections discussed earlier in this letter.

As confirmed by the management of the Group, there is a proper and complete separation of duties, and no common staff, senior management or director of the Group and the suppliers or service providers will be involved in the internal control procedures and corporate governance measures.

Internal review policies

- (i) the pricing policy for all the Continuing Connected Transactions will be supervised and monitored by the accounting department of the Group and the management of the Group dedicated with the responsibility of supervising the Continuing Connected Transactions to ensure that the relevant Continuing Connected Transactions are being conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Shareholders as a whole;
- (ii) in respect of any order for products or services, the Group will assess the scale and scope of the products or services and obtain reference quotations from independent third-party suppliers or service providers for setting the prevailing market price;
- (iii) the relevant personnel from the accounting department and the management of the Group will conduct regular checks to review and assess whether the relevant Continuing Connected Transactions are conducted in accordance with the terms of its respective agreement and will also regularly update the market price for the purpose of considering if the price charged for a specific transaction is fair and reasonable and in accordance with the aforesaid pricing policies; and
- (iv) the independent non-executive Directors will review the relevant Continuing Connected Transaction and the auditors of the Company will also conduct an annual review on the pricing terms and annual caps thereof (details of the requirements are set out in the below section headed “Reporting requirements and conditions of the Continuing Connected Transactions”).

The Directors consider that the above internal control and pricing policies and internal review policies of the Group are effective to ensure that the transactions contemplated under the relevant Continuing Connected Transaction will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole.

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REPORTING REQUIREMENTS AND CONDITIONS OF THE CONTINUING CONNECTED TRANSACTIONS

Pursuant to Rules 14A.55 to 14A.59 of the Listing Rules, the Continuing Connected Transactions are subject to the following annual review requirements:

- (a) the independent non-executive Directors must review the Continuing Connected Transactions every year and confirm in the Company's annual report whether the transactions have been entered into:
 - (i) in the ordinary and usual course of business of the Group;
 - (ii) on normal commercial terms or better which are no less favourable to the Group than those available to/from independent third parties; and
 - (iii) according to the agreements governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole;
- (b) the Company must engage its auditors to report on the Continuing Connected Transactions every year. The Company's auditors must provide a letter to the Board confirming whether anything has come to their attention that causes them to believe that the Continuing Connected Transactions:
 - (i) have not been approved by the Board;
 - (ii) were not, in all material respects, in accordance with the pricing policies of the Group if the Continuing Connected Transactions involve the provision of goods or services by the Group;
 - (iii) were not entered into, in all material respects, in accordance with the relevant agreements governing the Continuing Connected Transactions; and
 - (iv) have exceeded the relevant Annual Caps;
- (c) the Company must allow, and ensure that the counterparties of the Continuing Connected Transactions allow, the Company's auditors sufficient access to their records for the purpose of the reporting on the Continuing Connected Transactions as set out in paragraph (b); and
- (d) the Company must promptly notify the Stock Exchange and publish an announcement if the independent non-executive Directors and/or auditors of the Company cannot confirm the matters as required.

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In light of the reporting requirements attached to the Continuing Connected Transactions, in particular, (i) the restriction of the value of the Continuing Connected Transactions by way of the relevant Annual Caps; and (ii) the ongoing review by the independent non-executive Directors and auditors of the Company of the terms for each of the New CCT Agreements and the relevant Annual Caps not being exceeded, we are of the view that appropriate measures will be in place to monitor the conduct of the Continuing Connected Transactions and assist to safeguard the interests of the Independent Shareholders.

OPINION AND RECOMMENDATION

Having taken into account the above principal factors and reasons, we consider that the Continuing Connected Transactions are on normal commercial terms and entered into in the ordinary and usual course of business of the Company. We also consider that the terms of the Continuing Connected Transactions and the Annual Caps are fair and reasonable as far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the EGM to approve the Continuing Connected Transactions and the Annual Caps.

Yours faithfully,
for and on behalf of
SOMERLEY CAPITAL LIMITED
John Wong
Director

Mr. John Wong is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Somerley, which is licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO. He has over fifteen years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in the compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors and Chief Executive

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive officer of the Company in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which the Directors and chief executive were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept by the Company, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “Model Code”) of the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

(i) Long position in Shares

Name	Number of ordinary shares		Percentage of the issued share capital
	Personal interests	Corporate interests	
<i>Directors</i>			
Wei Hong-Ming	5,000,000	—	0.09%
Wei Hong-Chen	5,000,000	—	0.09%

(ii) Long position in the underlying Shares

Name	Nature of interest	Number of share options	Percentage of the issued share capital
<i>Directors</i>			
Wei Hong-Ming	Beneficial owner	1,385,000	0.02%
Wei Hong-Chen	Beneficial owner	1,385,000	0.02%
<i>Chief Executive Officer</i>			
Chen Yinjang	Beneficial owner	1,380,000	0.02%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive officer of the Company, had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which the Directors and chief executive were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept by the Company, or were required, pursuant to the Model Code of the Listing Rules to be notified to the Company and the Stock Exchange.

(b) Directors' service contracts

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group or any associated company of the Company (excluding contracts expiring or determinable within one year without payment of compensation other than statutory compensation).

(c) As at the Latest Practicable Date:

- (a) none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2024, being the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by, or leased to the Company or any of its subsidiaries, or are proposed to be acquired or disposed of by, or leased to, the Company or any of its subsidiaries; and
- (b) none of the Directors was materially interested in any contract or arrangement entered into by the Company or any of its subsidiaries which contract or arrangement is subsisting at the date of this circular and which is significant in relation to the business of the Group.

(d) Directors' interests in competing businesses

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, according to the register kept by the Company under section 336 of the SFO, the persons other than a Director or chief executive of the Company who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Name of shareholder	Capacity	Number of shares held	% of the issued share capital
Ting Hsin (Cayman Islands) Holding Corp.	Beneficial owner	1,882,927,866(L)	33.42
Ho Te Investments Limited	Interest of controlled company	1,882,927,866(L)	33.42
Profit Surplus Holdings Limited	Trustee of a unit trust	1,882,927,866(L)	33.42
Profit Surplus 3 Holdings Limited	Trustee of a unit trust	1,882,927,866(L)	33.42
Tingho Capital Holding Co., Limited	Interest of controlled company	1,882,927,866(L)	33.42
Rich Gold Capital Inc.	Interest of controlled company	1,882,927,866(L)	33.42
Lion Trust (Singapore) Limited	Trustee of discretionary trusts	1,882,927,866(L)	33.42
Sanyo Foods Co., Ltd.	Beneficial owner	1,882,927,866(L)	33.42

Note: (L) : Long Position

Save as disclosed above, the Directors and the chief executive of the Company were not aware that there was any person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

None of the Directors of the Company is a director or employee of a company which has an interest in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was involved in any litigation or claim of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened against the Company and any of its subsidiaries.

5. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, the date to which the latest published audited accounts of the Company were made up.

6. EXPERT'S QUALIFICATION AND CONSENT

Somerley has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

The following is the qualification of the expert who has given its opinions or advices which are contained in this circular:

Name	Qualification
Somerley	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO.

As at the Latest Practicable Date, Somerley did not have any direct or indirect interest in any asset which had been, since 31 December 2024, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or was proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, Somerley was not interested in any Share or share in any member of the Group nor did it have any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group.

7. MISCELLANEOUS

- (a) The registered office of the Company is P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands and the principal place of business of the Company in Hong Kong is at Suite 5607, 56th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.
- (b) The Company's Hong Kong branch share registrar and transfer office is Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

8. DOCUMENTS ON DISPLAY

The following documents will be on display and are published on the websites of the Stock Exchange (www.hkexnews.com) and the Company (www.masterkong.com.cn and www.irasia.com/listco/hk/tingyi) for a period of 14 days from the date of this circular:

- (a) the letter of recommendation from the Independent Board Committee to the Independent Shareholders as set out in this circular;
- (b) the letter from Somerley, the text of which is set out in this circular;
- (c) the written consent referred to in the paragraph headed “Expert’s qualification and consent” in this Appendix;
- (d) the Tingzheng Supply Agreement;
- (e) the Marine Vision Supply Agreement;
- (f) the Ting Tong Logistics Agreement; and
- (g) this circular.

康師傅控股

TINGYI (CAYMAN ISLANDS) HOLDING CORP.

康師傅控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0322)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Tingyi (Cayman Islands) Holding Corp. (the “**Company**”) will be held at 10 a.m. on Thursday, 5 June 2025 at the Conference Room, No.1688, Wuzhong Road, Minhang District, Shanghai City, PRC for the purpose of considering and, if thought fit, passing the following resolution of the Company:

ORDINARY RESOLUTIONS

(1) “**THAT:**

- (a) the agreement (the “**Tingzheng Supply Agreement**”) to be entered into between the Company and Tingzheng (Cayman Islands) Holding Corp. (“**Tingzheng**”), a copy of which is tabled at the meeting and marked “**A**” and initialed by the chairman of the meeting for identification purpose, pursuant to which, the Company and its subsidiaries (the “**Group**”) will purchase flexible plastic packaging materials and plastic products from Tingzheng and its subsidiaries for a term of three financial years ending 31 December 2028, be and is hereby approved, ratified and confirmed;
- (b) the cap amounts in relation to the purchase of products under the Tingzheng Supply Agreement for the three financial years ending 31 December 2028 as set out in the circular of the Company dated 23 April 2025, be and are hereby approved; and
- (c) any one director of the Company be and is/are hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the Tingzheng Supply Agreement and the transactions contemplated thereunder.”

(2) “**THAT:**

- (a) the agreement (the “**Marine Vision Supply Agreement**”) to be entered into between the Company and Marine Vision Investment Inc. (“**Marine Vision**”), a copy of which is tabled at the meeting and marked “**B**” and initialed by the chairman of the meeting for identification purpose, pursuant to which, the Company and its subsidiaries (the “**Group**”) will purchase carton box products from Marine Vision and its subsidiaries for a term of three financial years ending 31 December 2028, be and is hereby approved, ratified and confirmed;

NOTICE OF EGM

- (b) the cap amounts in relation to the purchase of products under the Marine Vision Supply Agreement for the three financial years ending 31 December 2028 as set out in the circular of the Company dated 23 April 2025, be and are hereby approved; and
 - (c) any one director of the Company be and is/are hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the Marine Vision Supply Agreement and the transactions contemplated thereunder.”
- (3) **“THAT:**
- (a) the agreement (the **“Ting Tong Logistics Agreement”**) to be entered into between the Company and Ting Tong (Cayman Islands) Holding Corp. (**“Ting Tong”**), a copy of which is tabled at the meeting and marked **“C”** and initialed by the chairman of the meeting for identification purpose, pursuant to which, the Company and its subsidiaries (the **“Group”**) will procure logistics services from Ting Tong and its subsidiaries for a term of three financial years ending 31 December 2028, be and is hereby approved, ratified and confirmed;
 - (b) the cap amounts in relation to the logistics services under the Ting Tong Logistics Agreement for the three financial years ending 31 December 2028 as set out in the circular of the Company dated 23 April 2025, be and are hereby approved; and
 - (c) any one director of the Company be and is/are hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the Ting Tong Logistics Agreement and the transactions contemplated thereunder.”

By Order of the Board
Tingyi (Cayman Islands) Holding Corp.
Ip Pui-Sum
Company Secretary

Hong Kong, 23 April 2025

NOTICE OF EGM

Notes:

- (a) Any member of the Company entitled to attend and vote at the meeting by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (b) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.
- (c) In order to be valid, the instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority must be delivered to the Company's Hong Kong office at Suite 5607, 56/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting thereof (as the case may be).
- (d) Completion and return of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (e) In the case of joint registered holders of any share, if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person, or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
- (f) The register of members of the Company will be closed from 2 June 2025 to 5 June 2025 (both dates inclusive). In order to determine the identity of the shareholders who are entitled to attend and vote at the Extraordinary General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 30 May 2025.

As at the date of this circular, Mr. Wei Hong-Ming, Mr. Junichiro Ida, Mr. Wei Hong-Chen, Mr. Koji Shinohara, Mr. Yuko Takahashi and Ms. Tseng Chien are executive Directors of the Company. Mr. Hsu Shin-Chun, Mr. Lee Tiong-Hock and Mr. Masaya Tochio are independent non-executive Directors of the Company.