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University of Wales Trinity Saint David
Master of Business Administration
HKBM7031: Finance for Business Managers

Comprehensive Financial Investment Management Analysis of
Nissin Foods Company Limited



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Executive Summary

This report provides a comprehensive assessment on Nissin' Foods Company Limited (Nissin) financial performance and corporate governance within the rapidly expanding instant F&B manufacturing sector in Hong Kong and China. While Nissin shows a sound financial position--characterised by a high Z-score, strong debt capability, and a stable financial structure. However, the analysis identifies some area needs to improvement such as operational ability, profitability, and market value relative to peers, largely attributable to an extended operating cycle that strains liquidity.

For the corporate governance, arises from the combined CEO and board of chairman roles, creating potential conflicts of interest, coupled with lack of board diversity. It is recommended that the board appoint an chief of independent director and establishing a board of corporate governance to enhance monitoring functions.

Regarding the proposed China Dongguan factory project, the investment appraisal is positive, but execution must put some efforts to improve the operating cycle to avoid increasing cash flow pressures. Funding should be prudently structured using an integration of internal cash flows and bank financing to reduce risk.

At the end of the report, a schedule for improving financial operations, corporate governance, and implementing the new project in phases sum u p this report.

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1. Introduction

1.1 Business environment overview on instant noodles market in Hong Kong and China

The instant noodle markets in Hong Kong and China represent a substantial segment in the global industry. According to global demand rankings for instant noodles, both markets consistently ranked the highest between 2020 and 2024 (World Instant Noodles Association, 2025). In 2024, demand on instant noodles in Hong Kong and China reach 43,802 units in thousand, which is nearly triple that of Indonesia, the second-largest market (World Instant Noodles Association, 2025). The COVID-19 further accelerated demand, with instant noodle consumption nearly doubling during quarantine periods (China Daily HK, 2020).

In Hong Kong, instant noodles market is highly concentrated, especially dominated by Nissin Foods Company Limited (Nissin) - development in the market almost 30 years. In 2020, Nissin has 65% market shares in Hong Kong (Tai, 2020).

In contrast, China market is serious competition due to high potential market and low barriers to entry. In recent, some new competitors, like Ramen Talk, have emerged and intensified the competition. In response, incumbent manufacturers are adopting strategies - product enhancement and diversification. For instance, Tingyi (Cayman Islands) Holding Corp (Tingyi) launched larger-size cup noodles, while Nissin introduced limited-edition featuring Japanese cartoon characters to strengthen brand image. To diversify its product categories, Nissin has launched sucrose-free yogurt and Uni-President China Holding Limited (Uni-president) has launched Cola Iced Black Tea.

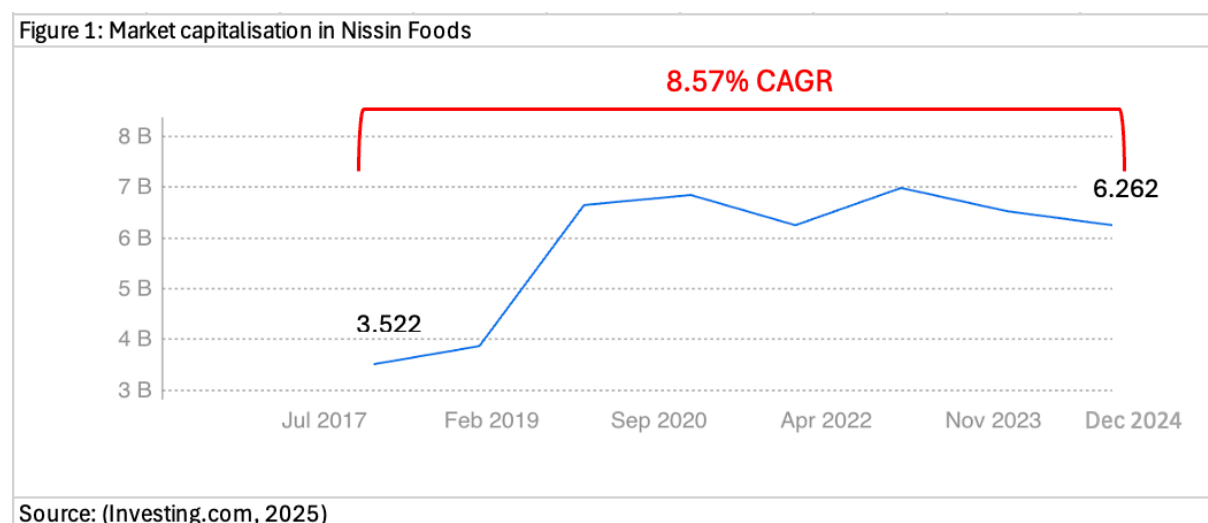
Looking forward, while intense competition is expected to persist, the market's strong growth potential will remain intact. According to the forecast of revenue on instant food market in 2030 in China, overall revenue will reach HKD 303 billion in 2030 (Grand View Horizon, 2025). Considering this outlook, some large manufacturers are conducting long-term investment in operational upgrades and geographic expansion to enhance efficiency and capture broader growth opportunities. For examples, investments include Samyang Foods' spending of HKD 11.53 billion for its first manufacturing factory in Zhejiang China and Nissin allocation of HKD 1.94 billion toward smart production lines (The Hong Kong Productivity Council, 2025; Yonhap, 2025).

1.2 Company background of Nissin Foods Company Limited (Nissin)

Nissin is a Hong Kong's subsidiary under the Nissin Food Group, which is the world first-mover on instant noodles and one of the well-known instant food and beverage (F&B) manufacturer in Japan nowadays. As part of cross-regional strategic expansion for potential markets, company was officially incorporated in Hong Kong in 1984 and the first factory in Tai Po Industrial Estate has been opening. Currently, Nissin is engaged the manufacturing and selling the premium instant food and beverage in China and Hong Kong, while actively extend the core business to Vietnam and acquire non-noodles products companies in other regions for further market expansion.

On 11 December 2017, Nissin has commenced stock trading on Main Board of Hong Kong Exchanges and Clearing Limited (HKEX), Stock code: 1475. Nissin Foods first IPO target through issuing total shares of 268,580,000, including 90% for international offering and 10% for local offering (Nissin Food Company Limited, 2017). Under the rules of indicative offering price range of HK\$3.45 to HK\$4.21 per offer Share, company targeted to financing 980.3 in millions of Hong Kong dollars for upgrading the factories and facilities, extending the selling distributions, improving R&D, conducting acquisition or strategic partnership and maintaining proportion funds for daily operation (William Reed Ltd, 2017). As a result, the offer was raised HK\$ 950.8 million from the IPO issued.

Up to 31 December 2024, Nissin recorded stock price HKD\$ 6 with 1,043,691,000 share outstanding , the market capitalisation is HKD\$ 6,262 million, compared HKD\$ 3,522 million in the end of the date in 2017 - IPO issued first year, increased almost double (Figure 1) (Hong Kong Exchanges and Clearing Limited, 2024a; Investing.com, 2025). This growth rate represents Nissin has a solid and healthy performance over these 7-year period, reflecting the positive perception of shareholders towards its performance and prospects.



1.3 Business model of Nissin Foods in Hong Kong and China

Nissin main business focus on product development, manufacturing and selling its diversified and innovative instant F&B products. Adopting differentiation strategies in premium market, products categories can be divided into instant foods, frozen foods, beverage, chips, fresh salad and others food. Among the key product line in instant noodles, there are over ten brands with hundred products. To highlight the innovation and unique, Nissin provide same product with customize ingredients to cope with different geographical consumer tastes and preference. For examples of Demae Iccho, Hong Kong uses wheat while China uses mixed-use of starch.

To increase operational efficiency and optimize supply-chain management, Nissin implements localization by establishing production plants and sales networks in specific countries and regions to serve local and near region consumer needs and preferences. In Hong Kong and China, company currently operates 9 factories—4 in Hong Kong and 5 in China (Zhuhai, Foshan, Xiamen, Zhejiang and Guilin)—which are responsible for production, R&D, and strict safety and hygiene control and monitoring. Also, company have 72 rental offices, staffs living rooms and customer service contact points (Nissin Foods Company Limited, 2017).

Details business model is shown on Figure 2.

Figure 2: Nissin's business model

Figure 2: Nissin's Business Model

Key Partners Distributors: Products are primarily sold wholesale to third-party distributors, who subsequently supply secondary distributors, retailers, and end consumers. - Retailers: Major channels include large-scale supermarkets, hypermarkets, and convenience stores. - Direct Customers: This segment includes airlines, hotels, restaurants, and	Key Activities Manufacturing Safety and hygiene control Marketing and Sales Consumer Education. Branding	Value Proposition Strict safety and hygiene standard and process - Highly specialized approach to R&D for innovative products - Standardized the management and vendor procedures - Adopt a region-specific product strategy to align with local taste preferences and consumption habits across different markets	Customer Relationship. Various promotional mechanisms (sales commissions, volume-based discounts, and free pricing decision right) - Provide a flexible credit days 30 - 120	Customer Segments. Mass audience
Cost Structure Fixed Cost: Salary cost, Property, Plant and Equipment rental and purchase costs, Enterprise Resources System Fee - Variables Cost: Cost for purchasing raw materials for production, Inventory cost, Delivery cost, Marketing and administration cost	Key Resources Products Brand Team Partner and retail network	Revenue Streams In Hong Kong, Instant Foods: Cup Noodles, Demae Iccho, Fuku, Nissin Raoh, Nissin U.F.O., and Doll Instant Noodle. Frozen Foods: Fresh salads and dim sum. Beverages: Yogurt drinks and green juice. Other Foods: Snacks such as chips. - In China, Instant Foods: Cup Noodles, Demae Iccho, Nissin U.F.O., I-pasta, Dim Sum Cup, and fried noodles. Frozen Foods: Dim sum and dumplings. Beverages: Yogurt drinks. Other Foods: Snacks including chips. - Additionally, Nissin caters to other markets such as South Korea and Australia with localized products like Gaemi foods and ABC pasta.		

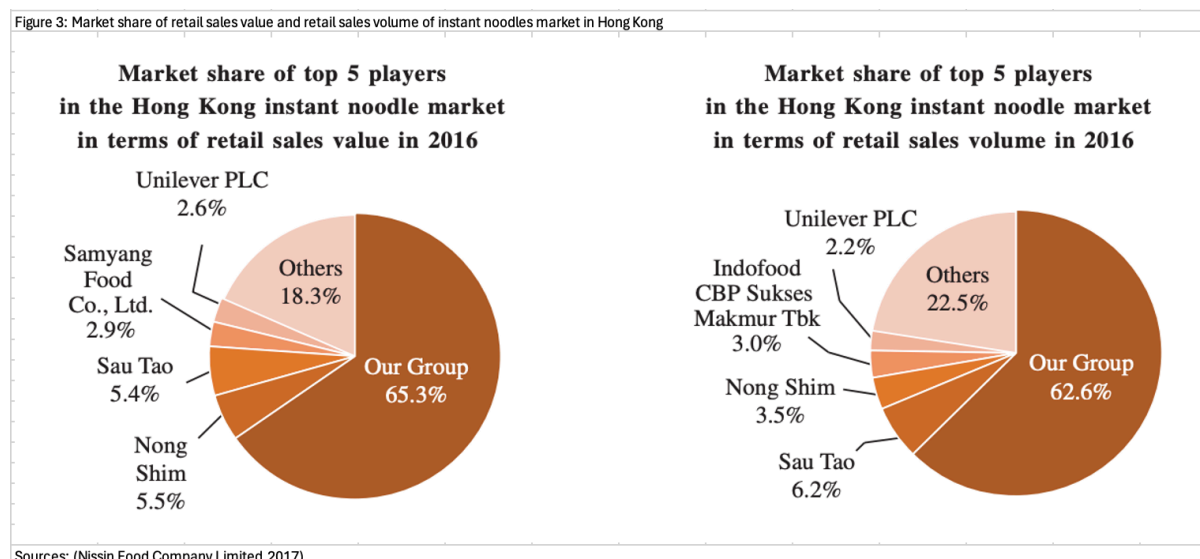
Sources: (Nissin Foods Company Limited, 2025; Nissin Foods Company Limited, 2017)

1.4 Organizational Structure

Nissin has independent management, sales and marketing, production and procurement, quality control, R&D team, legal, finance and accounting, human resources, and administrative (Nissin Foods Company Limited, 2017). In 2024, company have 3,737 numbers of staffs (Nissin Foods Company Limited , 2024).

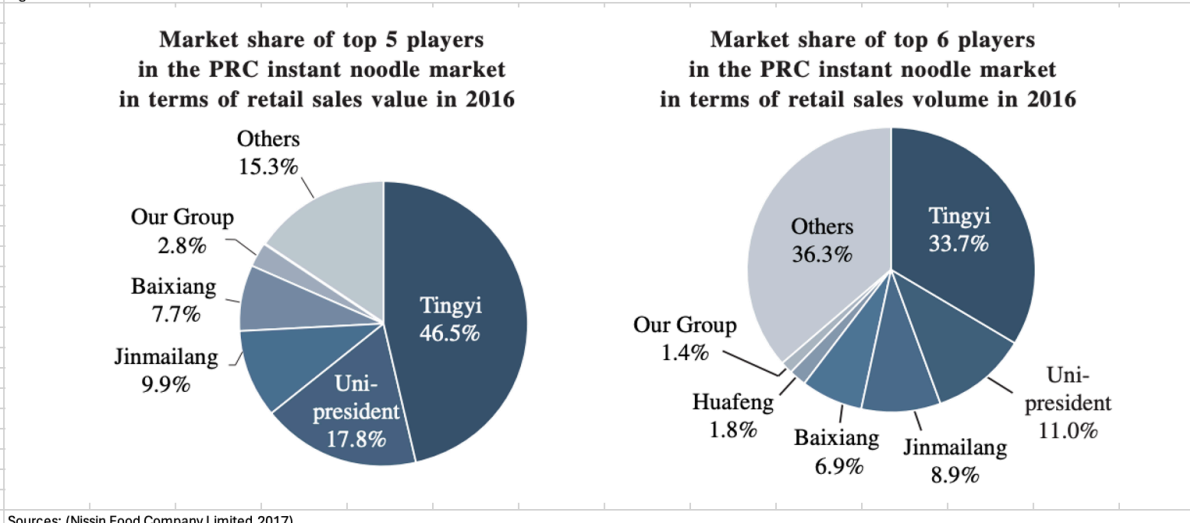
1.5 Main Competitors in Hong Kong and China

In Hong Kong, Nissin is dominant in the market, especially in instant food. According to the market share on the instant noodles, Nissin is the top, respectively 65.3% of sales and 62.6% of volume, reflecting its strong brand presence in the region.



In contrast, in China is highly competitive and fragmented, characterized by several major players. Tingyi and Uni-President represent the top two competitors, holding significant portions of the market. Particularly, Tingyi leads with 46.5% of sales and 33.7% by volume, followed by Uni-President with 17.8% and 11.0% (Figure 4). While Nissin's current market share in China is modest, at 2.8% by sales and 1.4% by volume, the company has strategically prioritized expansion to this market in these years. This focus is driven by the sustained market potential, and the increasing local middle-income population which are the main target groups of consumers in the company.

Figure 4: Market share of retail sales value and retail sales volume of instant noodles market in China



Competitor benchmarking can be better understanding the own current situation and the improvement areas (Magnini, Crotts and Calvert, 2020). Accordingly, financial analysis will focus on Tingyi and Uni-President as the key competitors and compare the financial performance to Nissin for identifying the potential operational and strategic directions.

Table 1: Basic information

Basic company information	Nissin	Tingyi *2	Uni-President China *2
Stock number	1475	322	220
Business nature	Food and beverage manufacturing industry, with a strong focus on instant noodles and beverages		
Market value (HKD) *1	7,220 Million	64,000 Million	41,550 Million
Price-to-earnings (P/E) *1	37.51	16.11	17.47
Market area	China and Hong Kong (primary)	China (primary) and Hong Kong	China and Shanghai (primary)

*Note 1: Based on 8 Aug 2025, Stock analysis data

*Note 2: Since Tingyi and Uni-President China uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December.

Sources: (The Wall Street Journal, 2025; Investing.com, 2025)

2. Analysis on financial performance of Nissin

Financial performance analysis is crucial for tracking the existing financial health, making decision to improvement or future investment opportunities, reducing the risks on investment and increasing the future value of the company (Purnamasari and Adriza, 2024). In the subsection, there are six key financial performance indicators - possibilities of bankruptcy via Altman Z-score analysis, financial structure, solvency of debt, operating ability, profitability and growth ability, providing a comprehensive financial performance analysis on Nissin and comparison with its competitors Tingyi and Uni-President.

2.1 Possibilities of bankruptcy via Altman Z-score analysis

Altman Z-score is model to assess the possibilities of bankruptcy. It combines 5 variables - profitability, liquidity, leverage, solvency, and operating efficiency - into a total score (Altman, 1968). The total Z-score < 1.81 means a high probability of bankruptcy in a short time, $1.81 \leq \text{Z-score} < 2.99$ means financial uncertainty and a moderate risk of bankruptcy, and total Z-score ≥ 2.99 signifies a low risk of bankruptcy.

The model was developed different weightings under different sector for the accuracy of the results. Based on the background of listed F&B manufacturers, standard manufacturing formula ($Z = 1.2X_1 + 1.4X_2 + 3.3X_3 + 0.6X_4 + 1.0X_5$) is applied (Sánchez-Almeyda et al., 2025). The result of Z-scores for Nissin, Tingyi, and Uni-President is presented in Table 1.

Table 2: Altman Z-score												
	Nissin				Tingyi *				Uni-President *			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Zone A	0.37	0.41	0.41	0.47	(0.33)	(0.20)	(0.16)	(0.08)	(0.00)	(0.02)	0.03	(0.02)
Zone B	0.20	0.21	0.19	0.27	0.35	0.34	0.29	0.41	0.51	0.54	0.53	0.56
Zone C	0.21	0.32	0.33	0.28	0.40	0.33	0.26	0.33	0.36	0.34	0.27	0.33
Zone D	3.46	3.88	4.19	3.28	0.90	0.81	0.99	1.17	1.91	1.49	2.08	1.93
Zone E	0.80	0.82	0.88	0.73	1.52	1.51	1.35	1.23	1.30	1.29	1.30	1.14
Total Z-score	5.04	5.64	6.00	5.03	2.85	2.80	2.73	3.05	4.07	3.65	4.21	3.94
Total Z-score in 4 years average	5.43				2.86				3.97			
Remarks: Based on the background of food manufacturing, using Altman Z-score formula as $1.2A + 1.4B + 3.3C + 0.6D + 0.999E$. A = Net Working Capital / Total Assets; B = Retained Earnings / Total Assets; C = EBIT / Total Assets; D = (Stock value on 31 December of the year X Total numbers of shares) / Total liabilities; E = Sales / Total Assets.												
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642); 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)												
Sources: (Altman, 1968; Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)												

Nissin's consistently high Z-score among its peers, in 5.43 average of 4-years, reflecting exceptional financial health and very low bankruptcy risk. These total scores are mainly driven by strong solvency and high liquidity, demonstrating the conservative debt management and significant cash reserves (Ra, 2024; Bolek and Gniadkowska-Szymańska, 2022; Nissin Foods Company Limited, 2023). However, its lower scores in profitability and efficiency compared to peers warrant attention for long-term growth sustainability.

2.2 Financial structure

Financial structure is acritical part of financial performance, as demonstrating the company practice on the leverage of the capital sources for supporting its operation and further investment in the future. Table is shown the result of financial structure in Nissin and its competitors.

	Nissin				Tingyi *				Uni-President *			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Fixed asset to Long-term fund ratio *1	0.39	0.44	0.44	0.41	0.71	0.79	0.90	1.04	0.50	0.48	0.46	0.43
Current liabilities to Net asset ratio *2	0.26	0.26	0.24	0.26	1.33	1.89	1.70	1.84	0.56	0.60	0.60	0.69
Current liabilities to inventory ratio *3	2.28	2.10	2.16	1.98	6.38	6.03	6.66	8.08	3.21	3.14	3.77	3.70
Above data calculated by writer. *1: Formula: Fixed asset / (Non-current liabilities+Total equity) *2: Formula: Current liabilities/ (Total asset - Total liabilities). *3: Formula: Current liabilities/ inventory												
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December.												
Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding												

Table 4: Financial structure in 4 year of average

	Nissin	Tingyi *	Uni-President *	3 companies
	4 years average	4 years average	4 years average	4 years average
Fixed asset to Long-term fund ratio *1	0.42	0.86	0.47	0.58
Current liabilities to Net asset ratio *2	0.25	1.69	0.61	0.85
Current liabilities to inventory ratio *3	2.13	6.79	3.46	4.12
Above data calculated by writer.				
*1: Formula: Fixed asset / (Non-current liabilities+Total equity)				
*2: Formula: Current liabilities/ (Total asset - Total liabilities).				
*3: Formula: Current liabilities/ inventory				
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December.				
RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)				
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Fixed asset to long-term funds ratio

The ratio measures the adequacy of long-term funds to finance fixed assets. As a capital-intensive industry, F&B manufacturing are more likely to high ratio, thus increase the chance of short-term debt for funds and the risk of insolvency (Ilyas Lamuda, Yusuf and Ibrahim, 2020). Tingyi's 2024 ratio of 1.04 indicates a potential lack of long-term funding and rising insolvency risk. However, Nissin maintains a sustainably lower ratio, due to a substantial capital gained from its initial listing in 2017, strategically allocated for factories expansion and operational reserves. From 2021 to 2024, ratio increased by modest 2%, but 2021 raised 5% to 2022. This is related to the share repurchases and cancellation scheme for optimizing market value and the substantial acquisition event for instant noodles manufacturer - Winner Food. Although Nissin spent certain amount for these events, COVID-19 brought substantial profit re-strengthening the reserves. This strategic action shows Nissin's stable long-term funds performance (Jamadar et al., 2024).

Current liabilities to net asset ratio

Nissin's ratio remained stable at 0.26 in 2021 and 2022, then decreased slightly to 0.24 in 2023. This decline was due to reduced trade payables for raw materials geopolitical tensions ease. In 2024, however, the ratio returned 0.26, due to increasing 16% trade payables for the new product launch and rising 7% of other payables for the operations. Compared with two competitors, Nissin's 4-year average ratio is 0.25 far lower than 0.61 of Uni-president's and 1.69 of Tingyi's. This reflects Nissin's conservative debt management and lower reliance on short-term borrowing, indicating a relatively low risk on the current liabilities.

Current liabilities to inventory ratio

Nissin and the competitors have more than 1 ratio, that means inventory value cannot cover all current liabilities. This is related to the characteristics of the industry on relative low price perishable products and reliance on high frequency to gain profit. Also, low ratio can be indicated too high inventory levels affect the profitability. Based on this background, 1.5 to 3 ratio is a standard of health performance in the industries (Investing.com, 2024). In 2021 to 2024, Nissin retained within the standard ratio, particularly recorded the lowest ratio 1.98 in 2024, representing a relative fair performance in Nissin.

Based on the above analysis, comparing with the peers, Nissin demonstrate a stable long-term funds performance, comparatively less reliance on short-term debt due to conservative debt management style, representing a solid and health financial structure.

2.3 Solvency of debt

Solvency of debt analysis is indicator of company's financial health which is assesses the company's ability to meet both short-term and long-term financial commitments.

Table is shown the result of financial structure in Nissin and its competitors.

Table 5: Solvency of debt

	Nissin				Tingyi *				Uni-President *			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Current ratio	2.93	2.69	2.79	2.57	0.86	0.76	0.70	0.55	0.96	1.06	0.95	0.99
Quick ratio	2.49	2.22	2.33	2.06	0.70	0.59	0.55	0.43	0.65	0.74	0.69	0.72
Stock credit index	(3.41)	(2.55)	(2.87)	(2.10)	1.89	2.46	2.99	4.60	1.13	0.80	1.17	1.04
Cash ratio	171%	138%	152%	149%	56%	44%	37%	29%	28%	39%	31%	37%
Debt / Equity ratio	28%	28%	27%	30%	169%	248%	209%	202%	60%	65%	65%	74%
Total debt / fixed asset ratio	70%	62%	60%	70%	176%	196%	167%	165%	114%	129%	135%	165%
Times interest earned	1,210.80	1,788.20	1,693.46	766.00	27.80	10.43	10.81	15.08	68.36	29.98	42.28	74.16
Above data calculated by writer.												
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)												
Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)												

Table 6: Solvency of debt in 4 year average

	Nissin	Tingyi *	Uni-President *	3 companies
	4 years average	4 years average	4 years average	4 years average
Current ratio	2.75	0.72	0.99	1.49
Quick ratio	2.28	0.57	0.70	1.18
Stock credit index	(2.73)	2.98	1.04	0.43
Cash ratio	152%	41%	34%	76%
Debt / Equity ratio	28%	207%	66%	100%
Total debt / fixed asset ratio	65%	176%	136%	126%
Times interest earned	1,364.61	16.03	53.70	478.11
Above data calculated by writer.				
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022				
Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President				

Current and quick ratio

Nissin demonstrated an obvious high capacity to short-term obligation compared with its peers. In the 4 years average, Nissin's current and quick ratio are within 2.75 and

2.28 (industrial standard 1.5 to 3), 2.03 and 1.71 times more than Tingyi and 1.76 and 1.08 times more than Uni-president. The main reason is related to the reserves after initial public listing which retained HKD\$ 98 million for daily operation. Based on the average of total current liabilities' (HKD\$ 1.1 million per year), this cash reserve can be served 89 years, reflecting a strong short-term obligation.

Stock credit index

Nissin retained negative because its quick assets is already greater than current liabilities. Therefore, the inventory is completely unnecessary for debt repayment, reflecting the strong debt ability.

Cash ratio

Align with the result of current and quick ratio, Nissin's cash ratio retained consistent higher than the competitors. In 4 years of average, the ratio has 152%, comparing Tingyi 41% and Uni-president 34%, because the company retained a high cash level in reserve after public offering, reflecting a strong short-term obligation.

Debt and equity ratio

Nissin maintains a stable and low ratio. In 4-year average, the ratio is within 28%, indicating minimal debt reliance. In contrast, Tingyi's high ratio, 207% in average, showing aggressive leverage, potentially increasing insolvency risk during downturns. While mainland China's decreasing interest rates facilitated borrowing, Hong Kong's higher rates, especially reaching 5.75% in 2023, rationalizing Nissin's conservative debt management.

Total debt / fixed asset ratio

Nissin adopted conservative debts management, maintaining stable liabilities. Except in 2024, total liabilities increase 8% generated a consideration payable after completion of acquisition. Also, Nissin spent less on adding fixed asset in these years since it paid one-off investment cost for upgrading factory 3-years project in 2020. This prudence results in a low 4-year average ratio of 65%, reflecting strong capability of repayment and lower leverage than peers.

Times interest cover ratio

Align with results on debt and equity ratio, Nissin was less reliance on debt, thus the times interest ratio was averaged an exceptionally high 1,513.84x. However, a declining trend since 2023, driven by decreasing earnings before interest tax (EBIT), indicates the potential weakening in its ability to pay debt in the future despite still strong coverage.

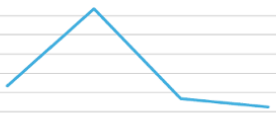
Overall, Nissin's solvency of debt is stronger than its peers in 2021 to 2024 due to less reliance on debt, substantial retained cash after initial listing and conservative debt management. However, the downsizing profitability might raise concerns for the future paying debt ability.

2.4 Operating ability

Operational ability analysis focus on how efficiency a company manages its day-to-day operations to generate revenue and profit. The following is showing the comparison of sales, cost performance and operational ability ratio for Nissin and its competitors.

Sales

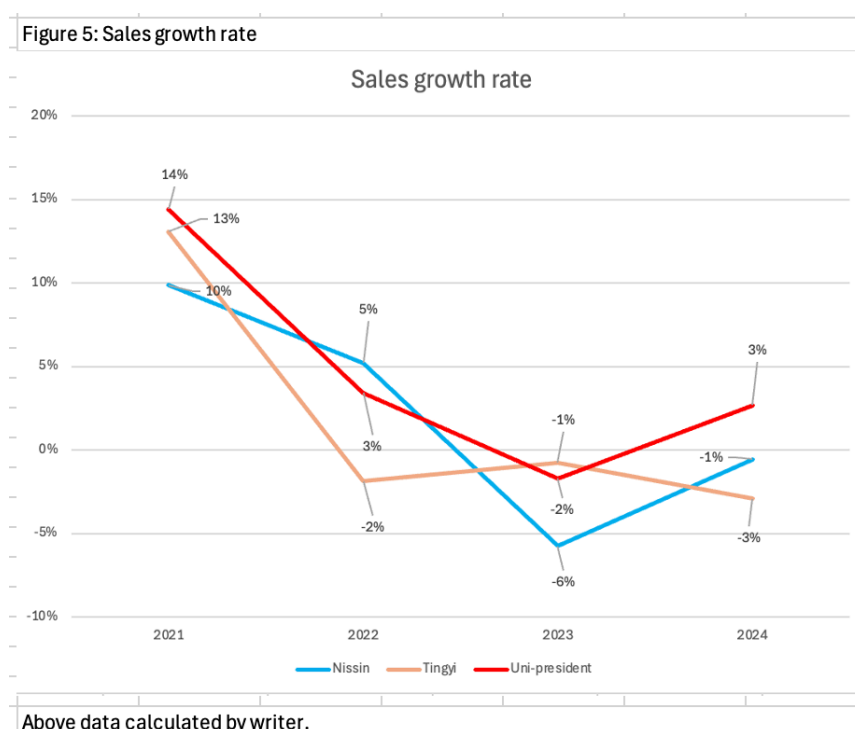
Table show Nissin and its peers on the total sales from 2021 to 2024. Due to different market penetration and developing times, three companies have quite different sales level. Tingyi has the highest sales, followed by Uni-president and Nissin. In 2024, Nissin's sales have HKD\$ 3,811,864 in million.

Table 7: Sales					
(HKD in million)	2021	2022	2023	2024	
Nissin	3,866,335.00	4,067,732.00	3,833,194.00	3,811,864.00	
Tingyi	90,802,665.30	89,092,375.96	88,419,673.46	85,828,702.68	
Uni-president	30,925,162.35	31,981,761.54	31,436,102.46	32,278,795.07	

Sales growth rates

As shown on figure, the trend of the three companies is similar. 2021 recorded the highest sales growth rates due to the demand of instant food during COVID-19, and then the trend was decreasing in 2022. However, Nissin's decline was smaller than

the peers due to the food safety issues in Uni-president and Tingyi. In 2023, the decline trend was continuous, but Nissin and Uni-president saw slight increases in 2024.



Operating Cost

To understand the efficiency of the cost expense, 4 keys of cost are used to compare Nissin with its peers, including cost of goods sold, selling and distribution cost, staff costs and depreciation and amortization.

Table 8: Operating Cost												
	Nissin				Tingyi*				Uni-president*			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Cost of goods sold	68%	68%	66%	66%	70%	71%	70%	67%	67%	71%	70%	67%
Selling and distribution costs	13%	13%	14%	14%	21%	21%	22%	22%	22%	21%	22%	22%
Staff costs	19%	18%	19%	20%	10%	10%	10%	10%	16%	15%	16%	16%
Depreciation and amortization	1%	1%	1%	1%	4%	4%	4%	4%	5%	4%	4%	4%
Above data calculated by writer.												
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)												
Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)												

Table 9: Operating cost in 4 year of average				
	Nissin	Tingyi*	Uni-president	3 companies
	4 years average			
Cost of goods sold	67%	69%	69%	68%
Selling and distribution costs	14%	22%	22%	19%
Staff costs	19%	10%	16%	15%
Depreciation and amortization	1%	4%	4%	3%
Above data calculated by writer.				
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)				
Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)				

Nissin and its peers have a similar level of cost of good sold, within 66% to 71%. However, staff cost, Nissin is higher than its peers, relating to the high personnel cost in Hong Kong. For selling and distribution, Nissin was lower than its peer that might be the reason why Nissin was not enough market penetration. Depreciation and amortization, Nissin also was lower than the peers, relating to lower numbers of factories than its peers.

Table 10: Operating ability												
	Nissin				Tingyi*				Uni-president*			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Total asset turnover	0.74	0.88	0.82	0.80	1.23	1.35	1.51	1.52	1.14	1.30	1.29	1.30
Fixed asset turnover	2.38	2.52	2.28	2.44	3.44	3.70	3.75	3.75	3.48	4.24	4.41	5.02
Days' Sales in Inventory	57.27	59.89	61.84	65.12	28.01	33.72	31.95	28.91	45.87	46.50	43.35	41.77
Average collection period	48.72	43.67	41.55	41.10	9.00	9.32	7.81	7.31	8.76	9.83	9.13	7.42
Days payable outstanding	34.91	30.06	24.20	23.69	59.94	63.06	59.83	57.48	42.26	45.18	44.76	39.93
Operating period (days)	105.99	103.56	103.39	106.23	37.01	43.04	39.76	36.21	54.63	56.33	52.48	49.19
Cash Conversion Cycle (days)	71.08	73.50	79.19	82.54	-22.94	-20.02	-20.07	-21.27	12.37	11.15	7.72	9.26
Above data calculated by writer.												
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)												
Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)												

Table 11: Operating ability in 4 year average				
	Nissin	Tingyi*	Uni-president*	3 companies
	4 years average			
Total asset turnover	0.81	1.40	1.26	1.16
Fixed asset turnover	2.40	3.66	4.29	3.45
Days' Sales in Inventory	61.03	30.65	44.37	45.35
Average collection period	43.76	8.36	8.78	20.30
Days payable outstanding	28.21	60.08	43.03	43.77
Operating period (days)	104.79	39.00	53.16	65.65
Cash Conversion Cycle (days)	76.58	(21.07)	10.12	21.88
Above data calculated by writer.				
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG exchange rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)				
Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)				

Total asset turnover

Nissin has lower turnover than its peers, 0.81 in 4-year average, reflecting Nissin have not fully utilize its asset for gaining profits. This might be related to the substantial retained cash for reserve.

Fixed asset turnover

Nissin's fixed asset turnover has 2.40 in 4-year average, lower than 3.66 Tingyi and 4.29 Uni-president.

Days' Sales in inventory

Nissin has comparatively high numbers of days' sale in inventory than its peers, 61.03 in 4-year in average and the trend is increasing. In 2024, 65.12 days were recorded. There are three main reasons. Reliance on distributor rather than large-scale direct retail system, 95% of revenue was from distributors which will be difficult to narrow the times of sales in inventory. Second, Nissin focus on differentiation strategies with premium price and high quality rather than Tingyi and Uni-president's low-price

strategies, therefore the production process will be longer than peers and less adopt big sales for fostering the inventory turnover.

Average collection period

Nissin has far longer average collection period than its peers, 43.76 days in 4-year average compared with 8.36 days of Tingyi and 8.78 days of Uni-president. Mentioned in annual report, Nissin provide credit period to customers from 30 to 120 days, whereas its peers provide 30 to 60 days. Too long credit period will lead to the issue of cash flow and might disturb any further investments because the needs of retained substantial cash on hand, thus affect the long-term profitability.

Days payable outstanding

Nissin has comparatively shorter days payable than its peers, 28.21 days in 4-years average, and the trend is going to shorter. In 2024, Nissin recorded 23.69 days. Like collection period, short days payable outstanding may cause the cash flow issues if the collection period is longer than standard (Laghari and Ahmed, 2023).

Cash Conversion Cycle (days)

Cash conversion cycle is a comprehensive indicator, which is a total of sales in inventory, collection period and payable outstanding, and measures the time it takes a company to convert invested cash into additional cash, is the ultimate metric for assessing the efficiency of working capital management. Therefore, Nissin has far longer cycle than peers, 76.58 days in 4-year average, and the trend is increasing, reflecting increase the risk of cash flow issues.

Overall, although Nissin has slightly improvement on sales growth rate with stable operating cost management, the cash conversion cycle might increase a serious

problem on the cash flow, especially too long collection period and shorter payable outstanding. If the cycle has no improvement, it might disrupt the chance of investment in the future.

2.5 Profitability

Profitability analysis is to assess the ability and efficiency to generate profits via operations and asset allocation and to create value for shareholders. The profitability result is shown below.

Table 12: Profitability												
(HKD in thousand) (Yr)	Nissin				Tingyi				Uni-president			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Gross profit margin	32%	32%	34%	34%	30%	29%	30%	33%	33%	29%	30%	33%
EBITDA margin	13%	13%	13%	9%	12%	10%	11%	12%	13%	10%	12%	12%
Net profit margin	9%	8%	9%	5%	6%	4%	4%	5%	6%	4%	6%	6%

Above data calculated by writer.

* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December.
RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)

Sources: (Altman, 1968; Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)

Table 13: Profitability in 4 year average				
	Nissin	Tingyi*	Uni-president*	3 companies
	4 years average			
Gross profit margin	33%	31%	31%	32%
EBITDA margin	12%	11%	12%	12%
Net profit margin	8%	5%	6%	6%

Above data calculated by writer.

* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December.
RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)

Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)

Gross profit margin, EBITDA margin and Net profit margin

Nissin and its peers maintain stable and similar gross profit margins, within 29% to 34%, primarily factor on shared F&B industry characteristics with similar cost structures and production techniques, and competitive strategies that lead to imitation in pricing and operational approaches. However, Nissin tends to downsize on EBIDA

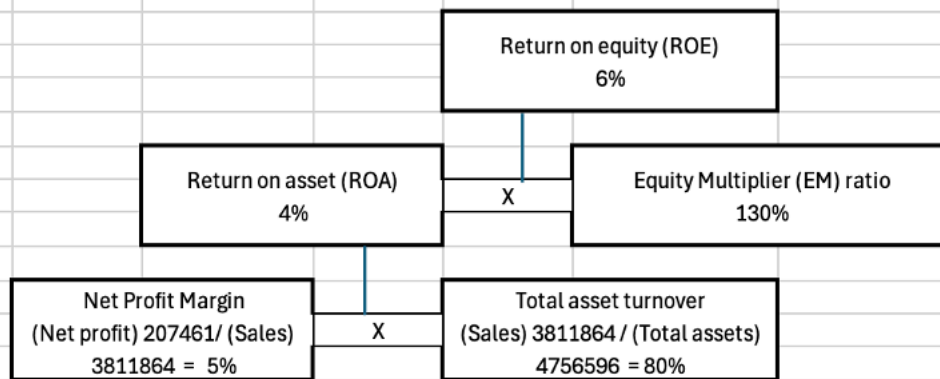
margin and net profit margin in 2024, from 2023 13% and 9% to 2024 9% and 5%. The reason is substantial impairment loss due to the book value of factories exceeding the recoverable value in China and Hong Kong. However, this is not actual money expense, therefore Nissin have a reasonable performance on these three-profitability ratio.

Return on equity (ROE) with DuPont Identity

Nissin's ROE has lower than its peers, 8% in 4-year average, and the trend on ROE is decreasing, reflecting the profitability decreasing.

To better understand the reason low ROE, DuPont identity - a profitability analysis model for insights into the true sources (profits, efficiency or leverage) of a company's high returns, is used as shown on below. Nissin's total asset turnover and EM ratio has lower than the peers. When peers are higher in these two ratio, its ROE are also higher that means these two are the main sources of high returns, aligning with the capital-intensive industry characteristics.

Figure 6: Dupont identity of Nissin in 2024

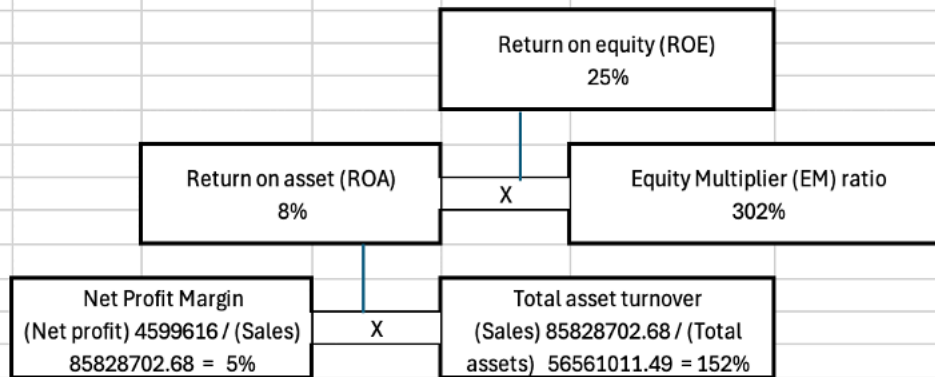


Above data calculated by writer.

* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December.
RMB to HKG: 31 December 2024 (1 : 1.0642); 31 December 2023 (1:1.0995);
31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December
2020 (1: 1.1875)

Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)

Figure 7: Dupont identity of Tingyi in 2024



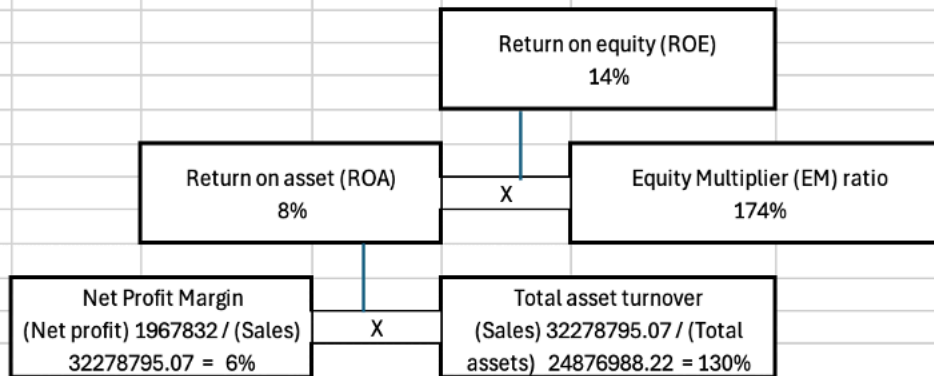
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RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)

Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)

Figure 8: Dupont identity of Uni-president in 2024



Above data calculated by writer.

* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December.

RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)

Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)

Overall, Nissin's profitability has some space to improve, especially ROE with total assets turnover.

2.6 Growth ability

Table 14: Growth ability												
	Nissin				Tingyi				Uni-president			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Retained earnings	2.97	1.79	2.07	3.27	4.02	4.00	3.67	3.06	5.93	6.80	5.11	4.61
Self sustainable growth rate	25%	17%	19%	18%	79%	73%	75%	75%	65%	63%	64%	64%
Above data calculated by writer.												
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)												
Sources: (Altman, 1968; Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)												

Table 15: Growth ability in average 4 year				
	Nissin	Tingyi*	Uni-president*	3 companies
4 years average				
Retained earnings	2.53	3.69	5.61	3.94
Self sustainable growth rate	20%	76%	64%	53%
Above data calculated by writer.				
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)				
Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)				

Retained earning

Nissin's retained earnings ratio is lower than its peers, 2.53 in 4-year average. It is related to Nissin needs to pay dividend to shareholders since its years of listing is shorter than peers. This is usual in the newer listing company due to showing positive perception, attracting more investors and fulfill the promise to shareholders. Refer to the record, Nissin has pay dividend annually average HKD\$ 0.26 dividend. However, looking to the recent substantial investment for acquisition and slowdown revenue growth rate, Nissin should remain more reserve.

Self-sustainable growth rate

Nissin's self-sustainable growth rate is 20% in 4-year average, comparing with peers, is much lower. This is related to the slowdown revenue growth; thus, Nissin must do some improvement.

Overall, Nissin growth ability is left behind its peers, thus having to get some improvement.

2.7 Stock market prospects

Table 16: GStock market prospects												
	Nissin				Tingyi				Uni-president			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
EPS (HKD\$)	0.32	0.33	0.32	0.20	0.95	0.62	0.69	0.82	0.43	0.32	0.42	0.46
PE ratio (Times)	18.44	20.36	19.58	30.18	16.79	22.30	13.87	12.40	17.75	24.39	13.08	17.14
Dividend yield (%)	2.6%	2.4%	2.6%	2.7%	11.4%	11.6%	18.4%	6.2%	7.7%	7.4%	7.6%	6.2%
Above data calculated by writer.												
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)												
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Table 17: GStock market prospects in 4 year average				
	Nissin	Tingyi*	Uni-president*	3 companies
	4 years average			
EPS (HKD\$)	0.29	0.77	0.41	0.49
PE ratio (Times)	22.14	16.34	18.09	18.86
Dividend yield (%)	3%	12%	7%	946%
Above data calculated by writer.				
* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG ex-change rate in the end of December. RMB to HKG: 31 December 2024 (1 : 1.0642) ; 31 December 2023 (1:1.0995); 31 December 2022 (1:1.1318); 31 December 2021 (1: 1.2257); 31 December 2020 (1: 1.1875)				
Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)				

Nissin's EPS has 0.29 4-year in average, much lower than its peers. Particularly in 2024, the EPS decreased to 0.20 which is the lowest record. This decline is related to the net profit was downsize in 2024. In contrast, Nissin's PE ratio is higher than peers, 22.15 in 4-year average with average 2.6% dividend yield. Despite the dividend yield in average is lower than peers, the PE ratio is keeping increasing, that means market has a positive perception to Nissin. This positive perception might benefit for further issue stocks for financial in the future.

Overall, Nissin's stock market prospects have positive sign to investors based on PE ratio and dividend yield.

3. Nissin's corporate governance performance

As a listed company, corporate governance is more than just a matter of compliance and it is the cornerstone of sustainable business operations and a core competitive advantage for building market trust and creating long-term value (Briano-Turrent and Rodríguez-Ariza, 2016). In the following subsection, it will be discussed the introduction of Nissin's corporate governance, assessment of the existing corporate governance and recommendation for the improvements.

3.1 Introduction of Nissin's corporate governance

Nissin is under Nissin Foods Holdings Co., Ltd which was initiated as family business. With internationalizing the business and spin-off Nissin to public offering in 2017 in Hong Kong, Nissin has developed independent corporate governance system to increase transparency and enhance the management performance.

Nissin's corporate governance system is referred to the HKEX's code on corporate governance practice. The system has developed three main individual board - Nomination Board, Remuneration Board and Audit Board. Each board will have different procedures and functions.

i) Nomination board function is responsible for annual evaluation and recommendation of the board composition, structure and size. Also, it is for identifying, assessing and nominating director candidates to ensure the director independence, oversees succession planning and supports annual evaluation of the board and individual directors.

ii) Remuneration board mainly functions on review and management on pay policy which review, approves and recommends individual compensation packages by

members, ensuring they are aligned with the corporate goals, market benchmarks, and contractual terms, while maintaining transparency and objectivity in the process.

iii) Audit broad functions on the planning and monitoring external auditor's appointment, independence and remuneration. Also, it reviews the annual reports, risk management, and the internal control systems to ensure compliance with local auditing standards and regulatory requirements. It also monitors the audit process and addresses findings and issues from auditors and conducting the internal investigations.

Increasing diversity society, board has adopted the "Board Diversity Policy" for diversity nomination, such as consideration of gender, ages, nationality, expertise and skills etc. and disclose to annual report for public monitoring. In 2025, there are 10 board members, including 6 executive members and 4 non-executive members.

Risk management and internal control is critical to maintain the profit and shareholder interests. Nissin has developed a risk management and internal control procedures implemented by the management and staffs and monitored by the board.

Business ethics and anti-corruption are the fundamental of business operations. Nissin has developed a policy and system to monitor any misbehavior and misconduct activities. Routine training on the knowledge of anti-corruption is also provided for staff's education.

3.2 Assessment of existing corporate governance performance

In the existing Nissin's corporate governance performance, it basically is compliance of the code on corporate governance practice of HKEX. To increase transparency, necessary information has demonstrated on annual report, such as the board independence rules, board members backgrounds and positions, the salaries levels,

diversity data. However, there are some concerns are raised via the annual report, as shown on below:

i) Rising the conflict on interest concerns due to same person acting chief of executive and chairman of director

Nissin's CEO and Board Chairman roles are both held by Mr. Kiyotaka Ando, who is the founder's grandson. Despite international expansion goals, the board and top management remain family-dominated—a common Asian family-business structure. However, this is conflict with HKEX corporate governance guidelines, which recommend separating these roles to ensure independent oversight and reduce risks of interest conflict threatening broader shareholder interests (Hong Kong Exchanges and Clearing Limited, 2017).

ii) Lack of local board members

Despite the promotion of diversity policy, Nissin's board lacks the geographic diversity, with only one member from China among a Japanese-dominant board. This might lead lack of local market insight and risk assessment knowledge, as when lack of familiarity with China's food standards led to destroyed numerous noodle inventories due to E. coli non-compliance, demonstrating improper board composition can directly affect the operational and financial performance (Morán-Muñoz, Fernández-Gago and Godos-Díez, 2024; Xingdao Daily, 2017).

iii) Low proportion of female board members

Despite achieving HKEX's minimum requirement with at least 1 female directors, Nissin's 8:2 gender ratio still lags some firms targeting 40% (Gibert and Fedorets, 2024). Research increased female board representation to improved financial

performance, reflecting Nissin's governance may be missing out on key benefits of diversity (Valls Martínez and Cruz Rambaud, 2019).

3.3 Recommendation for the improvements

Based on the above assessment, there are two recommendations.

- i) Establishment of chief sole director who is free from significant ties to business and can independently judge company affairs to enhance corporate governance by impartially judging company affairs and advocating for minority interests. Also, can be as a contact point for other directors and shareholders when the communication channel with the chairman or management is insufficient. Research shows they mitigate chief of executive duality conflicts and improve oversight (Alves, 2023). In July 2025, HKEX now mandates this appointment to strengthen board monitoring (Hong Kong Exchanges and Clearing Limited, 2024b).
- ii) Formulation of corporate governance board can be functions in defining the roles, responsibilities and the goal (e.g. how many ratios of gender and nationalities), forming a diverse and skilled membership, establishing clear operating procedures, like annual evaluation processes and adhering to the fairness, accountability and transparency to ensure effective strategic leadership and shareholder protection (Napitupulu et al., 2020; Diligent Corporation, 2024).

4. Appraisal of capital investment on expanding factories network in China market

Nissin plan to further expand the China market, therefore a plan for building a new factory in Guangdong Dongguan. The new factory size will be 35000 square meters,

the company plan to long-term use. Following the factory selling law in China, the factory have right-to-use 50 years, and the funds will be equivalent to 5% annual sales revenue in 2024, which is HKD\$ 190,593 in thousand. The following is the analyze of the investment project.

4.1 Basic information of the project

Table 18: Basic information of the project

Project Costs		Remark
Total new factory area (square meters)	35,000.00	Refer to the existing factories in China market, Total existing factories sizes in China market 142,979 square meters / 4 existing factories (Nissin Foods Company Limited, 2027; Nissin Foods Company Limited, 2024; Anjuke.com, 2025)
Building cost (HKD\$ in thousand per square meters)	2.60	(5% of 2024's annual sales revenue HKD\$ 190,593 - total equipment and machines cost HKD\$ 99,600) / Total new Factory area 35,000 square meters
Total new factory building cost (HKD\$ in thousand)	90,993.00	Total new factory area 35,000 * Building cost (HKD\$ per square meters) HKD\$ 2.6
New equipment and machines (HKD\$ in thousand)	99,600.00	Refer to the plan for building ZhuHai factory after intial public listing (Nissin Foods Company Limited, 2017)
Total cost (HKD\$ in thousand)	190,593.00	Equivalent to 5% of 2024's annual sales revenue
Remaining basic information		
Building depreciation (%)	3%	(Nissin Foods Company Limited, 2024)
Equipment and machines depreciation (%)	9%	(Nissin Foods Company Limited, 2024)
Sales growth rate (%)	7.4%	Latest twelve months revenue growth (Investing.com, 2025)
Prediction on inflation rate (%)	3%	Assume long-term investment growth
EBITDA (%)	11.8%	Latest EBITDA margin (Investing.com, 2025)
Operating period (days)	30.00	Assume the operation period has been improved from 82.54 days to 30 days

Table created by writer

4.2 First year of sales

Table 19: First year of sales

Project items		Remarks
Sales per square meter (HKD in thousand)	15.86	Previous year sales in China market HKD\$ 2,268,171 (in thousand) / Total factory sizes in China market 142,979 square meters (Nissin Foods Company Limited, 2027; Nissin Foods Company Limited, 2024)
Total of first year sales (HKD in thousand)	555,228.29	Total plant area 35,000 square meters * sales per square meter HKD\$ 15.86 (Nissin Foods Company Limited, 2027; Nissin Foods Company Limited, 2024)

Table created by writer

4.3 Computing Tax Cost

Table 20: Computing Tax Cost

Item (Unit: 1 thousand HKD)	1st year	2nd year	3rd year	4th year	5th year
Sales = Last year sales x (1 + growth rate)	555,205.00	596,290.17	640,415.64	687,806.40	738,704.07
EBITDA (11.8%)	65,514.19	70,362.24	75,569.05	81,161.16	87,167.08
Equipment and machine depreciation (9%)	(8,964.00)	(8,964.00)	(8,964.00)	(8,964.00)	(8,964.00)
Factory depreciation (3%)	(2,729.79)	(2,729.79)	(2,729.79)	(2,729.79)	(2,729.79)
Total depreciation:	(11,693.79)	(11,693.79)	(11,693.79)	(11,693.79)	(11,693.79)
EBIT:	53,820.40	58,668.45	63,875.26	69,467.37	75,473.29
Tax cost (standard tax rate: 25%)	(13,455.10)	(14,667.11)	(15,968.81)	(17,366.84)	(18,868.32)
Profit:	40,365.30	44,001.34	47,906.44	52,100.52	56,604.97

Table created by writer

4.4 Cashflow calculation for first 5 years

Table 21: Cashflow calculation for first 5 years

Item (Unit: 1 thousand HKD)	1st year	2nd year	3rd year	4th year	5th year
EBITDA	65,514.19	70,362.24	75,569.05	81,161.16	87,167.08
Expenditures:					
Working capital = HKD\$ 555205 X(30 days/365)	(45,633.29)	(47,914.95)	(50,310.70)	(52,826.23)	(55,467.55)
Tax Cost	(13,455.10)	(14,667.11)	(15,968.81)	(17,366.84)	(18,868.32)
Cashflow:	6,425.80	7,780.18	9,289.53	10,968.08	12,831.21

Table created by writer

4.5 ARR and NPV calculation

Table 22: ARR

ARR	
Total Income for 50 years	5,646,835.50
Average profit (A)	112,936.70
Initial cost (B)	190,593.00
ARR (A/B):	59.3%

Table created by writer

Table 23: NPV calculation

Year	Cash flow (HKD in thousand)	PV (HKD in thousand)
0	(190,593.00)	
1	6,425.80	6,178.66
2	7,780.18	7,193.21
3	9,289.53	8,258.36
4	10,968.08	9,375.56
5	12,831.21	10,546.32
6 - 10	70,166.10	51,229.70
11 - 20	175,636.90	95,324.01
21 - 30	236,040.10	86,544.35
31 - 40	317,218.70	78,573.91
41 - 50	426,315.40	71,337.39
NPV = all cashflow for 50 years - Initial cost: HKD\$ 233,968.27 in thousand, but all cashflow for 25 year - Initial cost: HKD\$ 41830.00		
NPV: $r = 4\%$ (Nissin 2024 ROA) ; t year = cashflow at t th year / $(1+r)^t$		

Table created by writer

4.6 Payback period, Discounted Payback period and IRR

Table 24: Payback period, Discounted Payback period and IRR

Discounted Payback period		Payback period	
1 - 21 year Profit	197,141.40	1- 15 years Profit	198,801.00
Initial Cost	190,593.20	Initial Cost	190,593.20
Discounted payback period =	20 years 3.3 months	Payback Period =	14 years 6.3 months
IRR = 8.2% (Details on the Appendix 1)			

Table created by writer

4.7 Investment appraisal and the risk of long operating period

Based on the data analysis, the new factory on the payback period is 14 years and 6.3 months, and the discounted payback period is 20 years 3.3 months. Also, IRR results 8.2% that means the project is positive. However, the operating period for working capital expenditure might raise an issue for the completion of the project. As the previous operating ability analysis section, cycle needs 82.54 days that means must retain HKD\$ 862,003 in thousand for maintaining the daily operations. To foster the project start-up, operating cycle should be improved promptly, such as shortening the credit days from 120 to 30 days, discussing with supplier for requesting longer pay days etc.

4.8 Appraisal methods for the new project

The above data are used 5 methods for analysis the new project.

i) Computing return of investment: This is the most basic method. Assumed the market demand no change, first year profit will be same levels in 2024, and then each year will be 7.4% sale growth which is based on the latest quarterly sales growth rate. Using this simple method, it is advantages for faster calculation and easy to present the data for shareholders, but it will be too optimistic because of no times money value involved.

ii) ARR results in 59.3%, much higher than the previous return rates than other projects.

It is a ratio on the average of accumulated profit to the initial cost. Similar basic calculation, it is faster method, but still not consider the times money value.

iii) NPV results in HKD\$ 233,068.27 in thousand with ROA 4%, compared the initial cost HKD\$ 190,593, current money is higher than the future value that means this investment should not go ahead. However, if counted in 25 years which is HKD\$41,830 in thousand, future money value is higher than today's investment cost. Therefore, this method benefits to count in the future money value but may not effectively compare project lifecycles and is more reliance on accurate estimates of future cash flow that might not safe.

iv) Payback period result in HKD\$198,801 in thousand profits in 14-year 6.4 months payback while discounted payback period result in HKD\$ 197141.4 in 20 year 3.3 months. The result is positive for the new project. These methods benefit to present how long can take back the money, especially discounted payback period counted the time money value, that can analyze the risk. However, both methods ignore the cash flow that might increase the risk of cash flow problems.

V) IRR results in 8.2% that means the project is positive. This method is critical and most common used in capital budgeting. Method not only counts the times money value, comprehensive cash flow, but also the simple way to present the analysis result.

5. Financing and capital management

There are 3 methods for financing for this new project.

i) Cash - Nissin has a stable and retained substantial cash in the reserve after first initial listing. In 2024, HKD\$ 1110097 in thousand cash on hand. However, the project

initial cost is HKD\$ 190593 in thousand. If full payment is by cash, cash will only retain HKD\$ 919504. This is risky because Nissin currently still have long operating cycle issue. if Nissin still not improve the issues with lack of the cash on hand, will lead to series operational problem.

ii) Bank-loan financing – Nissin has a conservative debt management and currently less debt on hand. Also, recent interest rates are downsizing. The latest average interest is 1.26% to 2%. If borrow 2% interest of bank load, means finance cost is HKD\$ 3811.86 in thousand, it is 0.1% of the total cost. This is relatively low proportion.

iii) Issued shares for fund raising - Nissin currently have issued 1043691 number of shares with HKD\$ 6 market value. However, currently Nissin stock price is decreasing, therefore this might affect the share issue and affect the current shareholders interests.

Overall, integration of bank-load and cash will be the lowest risk method for financing because Nissin can keep proportion cash for daily working capital and interest rate is decreasing that might use reasonable finance cost to generate more profits.

6. Recommendation and audit plan

Based on the previous financial performance analysis and new project appraisal, the following is the suggested schedule.

Table 25: Recommendation and audit plan					
Schedule of new project and the financial improvement					
	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026
Improvement of long operating cycle issues					
Renew the current credit days policy					
Discussion with supplier for longer credit days					
Improve the supply chain process					
Increase R&D for maximising the profit					
Improvement on corporate governance					
Forming corporate governance board					
Hiring independent sole director					
New project on building new factory					
Research on the appropriate area					
Create a contingency plan					
Review the current cash flow					
Lease a bank loan					
Completion of the factory and machine purchasing					
Routine review and monitoring the financial performance and budgeting					
Table created by writer					

7. Conclusion

The instant F&B manufacturing sector remains a critical and growing industry in Hong Kong and China. As a key player in the market, Nissin has actively expanded its presence in mainland China in recent.

Therefore, conducting an evaluation financial performance analysis and comparison with main competitors Tingyi and Uni-president, indicates that Nissin maintains a reasonable overall financial position, such as high Altman Z-score, stable capital structure, and strong debt-servicing capability.

However, several areas require improvement, including operational efficiency, profitability, growth potential, and stock market performance. Of particular concern is the long operating cycle, which could disturb the cash flow and both ongoing operations and future projects—such as the proposed new factory in Dongguan, Guangdong. While the capital investment analysis for this project appears favorable, addressing current operational inefficiencies is essential to avoid increasing the liquidity pressures.

From a corporate governance perspective, issues such as the consolidation of the CEO and board of Chairman roles, which raises potential conflicts of interest, and limited board diversity. It is recommended that the company appoint an independent lead director and establish a dedicated board committee for ongoing governance review.

Funding for the new facility should prioritize a balanced approach combining internal cash resources and bank financing to minimize financial risk. A detailed schedule on financial optimization, governance enhancement, and phased project execution is provided in the final section of this report to support sustainable growth.

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Appendix 1:

Yr	CASHFLOW in/(out)	CUM CASHFLOW	PV cashflow	CUM discounted CASHFLOW	PROFIT	ROA	4.00%
0	(190,593)	(190,593)	(190,593)	(190,593)	(190,593)	inflation rate	3.00%
1	6,425.8	(184,167)	6,178.7	(184,414.3)	40,365.3		
2	7,780.2	(176,387)	7,193.2	(177,221.1)	44,001.3		
3	9,289.5	(167,097)	8,258.4	(168,962.8)	47,906.4		
4	10,968.1	(156,129)	9,375.6	(159,587.2)	52,100.5		
5	12,831.2	(143,298)	10,546.3	(149,040.9)	56,605.0		
6	13,216.1	(130,082)	10,444.9	(138,596.0)	58,303.1		
7	13,612.6	(116,469)	10,344.5	(128,251.6)	60,052.2		
8	14,021.0	(102,448)	10,245.0	(118,006.6)	61,853.8		
9	14,441.6	(88,007)	10,146.5	(107,860.1)	63,709.4		
10	14,874.8	(73,132)	10,048.9	(97,811.2)	65,620.7		
11	15,321.0	(57,811)	9,952.2	(87,859.0)	67,589.3		
12	15,780.6	(42,030)	9,856.5	(78,002.4)	69,617.0		
13	16,254.0	(25,776)	9,761.7	(68,240.7)	71,705.5		
14	16,741.6	(9,035)	9,667.9	(58,572.9)	73,856.6		
15	17,243.8	8,209	9,574.9	(48,998.0)	76,072.3		
16	17,761.1	25,970	9,482.8	(39,515.2)	78,354.5		
17	18,293.9	44,264	9,391.6	(30,123.6)	80,705.1		
18	18,842.7	63,107	9,301.3	(20,822.3)	83,126.3		
19	19,408.0	82,515	9,211.9	(11,610.4)	85,620.1		
20	19,990.2	102,505	9,123.3	(2,487.2)	88,188.7		
21	20,589.9	123,095	9,035.5	6,548.4	90,834.4		
22	21,207.6	144,302	8,948.7	15,497.0	93,559.4		
23	21,843.8	166,146	8,862.6	24,359.6	96,366.2		
24	22,499.1	188,645	8,777.4	33,137.0	99,257.2		
25	23,174.1	211,819	8,693.0	41,830.0	102,234.9		
26	23,869.3	235,689	8,609.4	50,439.4	105,301.9		
27	24,585.4	260,274	8,526.6	58,966.0	108,461.0		
28	25,323.0	285,597	8,444.7	67,410.7	111,714.8		
29	26,082.7	311,680	8,363.5	75,774.1	115,066.2		
30	26,865.2	338,545	8,283.0	84,057.2	118,518.2		
31	27,671.2	366,216	8,203.4	92,260.6	122,073.8		
32	28,501.3	394,717	8,124.5	100,385.1	125,736.0		
33	29,356.3	424,074	8,046.4	108,431.5	129,508.1		
34	30,237.0	454,311	7,969.0	116,400.5	133,393.3		
35	31,144.1	485,455	7,892.4	124,292.9	137,395.1		
36	32,078.4	517,533	7,816.5	132,109.4	141,517.0		
37	33,040.8	550,574	7,741.4	139,850.8	145,762.5		
38	34,032.0	584,606	7,666.9	147,517.7	150,135.4		
39	35,053.0	619,659	7,593.2	155,110.9	154,639.4		
40	36,104.6	655,764	7,520.2	162,631.1	159,278.6		
41	37,187.7	692,951	7,447.9	170,079.0	164,057.0		
42	38,303.3	731,255	7,376.3	177,455.2	168,978.7		
43	39,452.4	770,707	7,305.3	184,760.5	174,048.0		
44	40,636.0	811,343	7,235.1	191,995.6	179,269.5		
45	41,855.1	853,198	7,165.5	199,161.2	184,647.5		
46	43,110.8	896,309	7,096.6	206,257.8	190,187.0		
47	44,404.1	940,713	7,028.4	213,286.2	195,892.6		
48	45,736.2	986,449	6,960.8	220,247.0	201,769.4		
49	47,108.3	1,033,558	6,893.9	227,140.9	207,822.4		
50	48,521.5	1,082,079	6,827.6	233,968.5	214,057.1		
Method 1 NPV淨現值	233,968.47	41830.00 (1-25 years)			59.3%	<ARR	
Method 2 PBP償還期	14.52	~14 years 6.3 months	6.29				
Method 3 IRR內部收益率	8.2%						
Method 4 discounted PBP	20.28	~20 years 3.3 months	3.30				
Method 5 PI	2.23						
ARR	77.3%						

Appendix 2:

Basic financial data	(HK\$ in thousands) (¥)	Nissin				Tingyi*				Uni-President China*			
		2024	2023	2022	2021	2024	2023	2022	2021	2024	2023	2022	2021
		1,477,218	1,467,873	1,468,665	1,246,863	15,364,270	15,367,030	15,367,030	15,366,740	58,690	58,690	487,020	528,811
Total assets		4,756,595	4,658,753	4,599,805	5,258,559	55,951,011	58,438,045	65,152,925	73,501,015	24,875,985	24,336,575	24,655,535	27,045,495
	Rebalanced earnings	678,721	695,050	614,912	1,009,198	14,894,825	14,195,485	13,830,934	21,818,134	6,977,817	9,359,775	9,407,171	10,893,583
EBIT		793,335	827,275	683,144	841,541	6,889,173	6,835,792	5,290,423	7,983,393	2,728,074	2,927,801	2,827,495	2,664,179
	Stock value (HK\$)	6	6	7	6	10	10	14	16	8	6	6	8
RMD to HKD		1,0642	1,0986	1,1318	1,2257								
Numbers of stock (million shares)		1,043,691	1,043,691	1,043,691	1,047,790	5,634,438	5,634,356	5,634,164	5,630,972	4,319,334	4,319,334	4,319,334	4,319,334
Total stocks		1,043,691	1,043,691	1,043,691	1,047,790	7,000,000,000	7,000,000,000	7,000,000,000	7,000,000,000	50,000,000,000	50,000,000,000	50,000,000,000	50,000,000,000
Current liabilities		942,691	936,136	955,395	1,050,424	34,954,795	32,697,139	30,855,195	36,269,356	9,751,035	8,612,686	8,612,686	14,145,506
Total liabilities		1,086,622	1,089,622	1,099,145	1,143,353	37,854,755	35,102,187	32,173,176	46,454,515	13,617,655	9,922,649	9,735,875	15,173,385
Equity		3,669,973	3,569,131	3,500,410	4,115,206	18,096,256	23,335,858	22,979,730	27,046,499	11,258,350	14,413,886	14,919,659	11,872,110
Equity attributable to equity holders of the parent		3,669,973	3,569,131	3,500,410	4,115,206	18,096,256	23,335,858	22,979,730	27,046,499	11,258,350	14,413,886	14,919,659	11,872,110
Minority interest		-	-	-	-	-	-	-	-	-	-	-	-
Non-current liabilities		143,931.00	112,845.00	73,174.00	82,874.00	3,309,958.91	7,404,468.40	11,257,873.82	9,898,407.35	836,165.11	809,863.17	783,780.52	756,455.14
Total equity		3,669,974.00	3,571,733.00	3,509,662.00	4,116,380.00	18,746,255.53	23,335,857.28	22,979,730.43	27,046,498.45	14,193,332.86	14,713,923.51	14,918,655.31	15,871,125.48
Total assets		4,756,596.00	4,663,753.00	4,599,805.00	5,258,559.00	55,961,011.48	58,438,044.37	65,162,924.53	73,521,014.83	24,876,988.22	24,336,572.89	24,655,532.95	27,045,494.59
Net asset		-	-	-	-	-	-	-	-	-	-	-	-
Stock inventory		477,007.00	415,015.00	442,340.00	464,999.00	4,272,995.00	4,821,602.17	5,947,347.23	5,775,829.36	2,846,746.28	2,377,408.36	2,854,999.45	2,852,484.00
Goodwill and intangible assets		1,492,513.00	1,365,575.00	1,277,646.00	1,809,596.00	9,886,788.01	11,854,337.41	15,869,419.33	20,327,900.32	3,626,176.16	2,741,664.76	3,633,022.61	2,608,621.76
EBIT		302,376.00	457,233.00	463,144.00	441,541.00	8,889,174.48	7,825,702.01	5,205,422.84	7,393,005.32	2,730,073.92	2,627,709.98	2,627,405.98	2,664,128.81
EBITDA (avg)		400,960.00	466,800.00	456,360.00	457,800.00	9,361,000.00	7,545,000.00	6,861,000.00	8,111,000.00	3,414,000.00	2,896,000.00	2,896,000.00	3,626,000.00
EBITDA		41,454.00	47,627.00	43,913.00	56,573.00	3,726,623.01	3,791,776.38	3,694,980.05	3,860,752.27	1,173,824.11	1,244,362.71	1,291,429.67	1,506,490.71
Cost of goods sold		2,469,785.00	2,336,123.00	2,364,507.00	2,628,556.00	17,419,109.40	16,116,109.11	16,174,815.90	16,174,815.90	21,776,404.38	21,807,554.23	22,714,677.69	20,961,244.37
Average inventory		446,011.00	428,677.00	453,669.50	434,071.00	4,547,258.65	5,384,374.70	6,586,488.25	4,850,997.30	2,602,277.32	2,596,203.61	2,893,747.03	2,625,195.68
Average trade receivable		429,274.00	436,341.00	465,683.00	516,035.00	1,718,069.89	1,891,961.87	2,275,814.73	2,238,364.46	856,969.60	786,026.45	861,429.62	742,129.44
Equity		3,611,864.00	3,513,184.00	3,400,722.00	3,866,326.00	18,026,702.69	18,439,673.46	18,002,275.96	18,803,665.35	12,776,705.07	13,436,102.46	13,361,761.64	13,926,161.35
Average trade payable		162,218.50	167,753.00	227,685.50	252,383.00	9,642,336.63	10,083,190.11	10,914,487.49	10,361,424.37	3,361,936.38	2,680,687.21	2,811,854.81	2,414,133.62
Fixed asset		1,562,633.00	1,679,372.00	1,616,034.00	1,625,389.00	22,803,540.32	23,589,554.80	24,861,468.16	26,964,841.32	6,432,822.95	7,135,131.58	7,540,838.26	8,884,960.69
Total financing debt		5,149.00	9,577.00	6,375.00	11,212.00	37,609,172.64	9,684,688.20	10,766,871.41	9,396,038.21	508,613.74	1,196,838.78	864,056.57	193,110.18
Interest cost		986.00	270.00	259.00	365.00	457,454.68	535,152.44	688,676.74	265,953.61	35,676.72	69,760.91	67,635.24	38,965.91

All is based on the data as of 31 December of the year, as the end of financial date

Notes data calculated by writer.

* Since Tingyi and Uni-President uses RMB in the financial report, all prices-related data will be based on the RMB to HKG exchange rate in the end of December.
RMB to HKG: 31 December 2024 (1 : 1.0642); 31 December 2023 (1 : 1.0995); 31 December 2022 (1 : 1.1318); 31 December 2021 (1 : 1.2257); 31 December 2020 (1 : 1.1875)

Sources: (Investing.com, 2024; Nissin Food Company Limited, 2021; Nissin Food Company Limited, 2022; Nissin Food Company Limited, 2023; Nissin Food Company Limited, 2024; Tingyi (Cayman Islands) Holding Corp., 2021; Tingyi (Cayman Islands) Holding Corp., 2022; Tingyi (Cayman Islands) Holding Corp., 2023; Tingyi (Cayman Islands) Holding Corp., 2024; Uni-President China Holding Limited, 2021; Uni-President China Holding Limited, 2022; Uni-President China Holding Limited, 2023; Uni-President China Holding Limited, 2024)