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Ajisen (China) Holdings Limited
味千(中國)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 538)

**RENEWAL OF
CONTINUING CONNECTED TRANSACTIONS**

References are made to the announcements of the Company dated 14 May 2021 and 27 May 2021 in relation to the continuing connected transactions under the 2021 CCT Agreements and the announcement of the Company dated 30 September 2016 in relation to the Trademark Licence Agreement.

As the Group intends to continue carrying out the transactions under the 2021 CCT Agreements, on 14 May 2024, the Group renewed the Fortune Choice Sales Agreement and the Fortune Choice Supply Agreement with Shigemitsu Industry both for a further three-year term ending on 13 May 2027. On the same date, the Group also renewed the Festive Profits Supply Agreement with Shigemitsu Food and the Design Union Agreement with Design Union for a further three-year term ending on 13 May 2027.

LISTING RULES IMPLICATIONS

Since each of Shigemitsu Industry, Shigemitsu Food and Design Union is a connected person of the Company under the Listing Rules, the Franchise Agreements, the Trademark Licence Agreement and the CCT Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since each of the applicable percentage ratios (other than the profits ratio) in relation to each of the annual caps of the transactions under each of the Franchise Agreements, the Trademark Licence Agreement and the CCT Agreements for 2024, 2025 and 2026 is more than 0.1% but less than 5%, the conduct of those transactions will accordingly constitute non-exempt continuing

connected transactions of the Company which are subject to the reporting and announcement requirements, but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

On 14 May 2024, the Group renewed the Fortune Choice Sales Agreement and the Fortune Choice Supply Agreement with Shigemitsu Industry both for a further three-year term ending on 13 May 2027. On the same date, the Group also renewed the Festive Profits Supply Agreement with Shigemitsu Food and the Design Union Agreement with Design Union for a further three-year term ending on 13 May 2027.

DETAILS OF THE CONTINUING CONNECTED TRANSACTIONS

The principal terms of each of the CCT Agreements, the Franchise Agreements and the Trademark Licence Agreement are as follows:

(A) RENEWED FORTUNE CHOICE SUPPLY AGREEMENT

Date of agreement:	14 May 2024
Parties:	(1) Fortune Choice as buyer; and (2) Shigemitsu Industry as seller
Term:	From 14 May 2024 to 13 May 2027
Scope of the agreement:	Shigemitsu Industry to supply materials and supplies which are required by the Group for the operation of the Franchise Businesses, including soup base, condiments and other goods.
Pricing policy:	The consideration of the goods (other than the specialty products which are only available through Shigemitsu Industry) would be determined by reference to costs of materials, costs of production, historical prices, and prevailing market prices of similar products and would be no less favourable than those offered by Shigemitsu Industry to other independent purchasers of the supplied goods and on the terms to be determined by the parties after arm's length negotiation and on normal commercial terms that are fair and reasonable and in the interest of the Company and its shareholders as a whole.

In relation to those specialty products, which are only available through Shigemitsu Industry, such as soup base, the Group will negotiate in arm's length by reference to their historical prices, prevailing market prices of close comparables for the specialty products and costs of production with Shigemitsu Industry to ascertain the price. Pursuant to a supplemental agreement dated 16 September 2006 and made between Fortune Choice and Shigemitsu Industry, the parties agree that where the goods are manufactured or supplied by Shigemitsu Industry from the PRC, Shigemitsu Industry will duly and reasonably adjust the prices of the goods in favour of the Group.

Payment terms: The consideration of the goods will be paid by the Group to Shigemitsu Industry in cash upon receipt of invoice.

(B) RENEWED FORTUNE CHOICE SALES AGREEMENT

Date of agreement: 14 May 2024

Parties:

- (1) Fortune Choice as seller; and
- (2) Shigemitsu Industry as buyer

Term: From 14 May 2024 to 13 May 2027

Scope of the agreement: Fortune Choice to sell and export various goods to Shigemitsu Industry, including fried onion crispy packs, fried garlic crispy packs, Ajisen logo paper napkins, Ajisen logo paper bags and sundry items.

Pricing policy: The consideration of the supplied goods would be determined by reference to costs of materials, costs of production, historical prices, and prevailing market prices of similar products and would be in line with those offered by Fortune Choice to other independent purchasers of the supplied goods and on the terms of the goods supplied by the Group to Shigemitsu Industry to be determined by the parties after arm's length negotiation and on normal commercial terms that are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Payment terms: The consideration of the goods will be paid by Shigemitsu Industry to Fortune Choice in cash in full upon receipt of invoice.

(C) RENEWED FESTIVE PROFITS SUPPLY AGREEMENT

Date of agreement: 14 May 2024

Parties: (1) Shigemitsu Food as seller; and
(2) Festive Profits as buyer

Term: From 14 May 2024 to 13 May 2027

Scope of the agreement: Shigemitsu Food to sell food products, materials and supplies which are required by the Group for the operation of the Franchise Businesses.

Pricing policy: The consideration of the goods (other than the specialty products which are only available through Shigemitsu Food) would be determined by reference to costs of materials, costs of production, historical prices, and prevailing market prices of similar products, and would be no less favourable than those offered by Shigemitsu Food to other purchasers of the supplied goods and on the terms to be determined by the parties after arm's length negotiation and on normal commercial terms that are fair and reasonable and in the interest of the Company and its shareholders as a whole.

In relation to those specialty products which are only available through Shigemitsu Food, the Group will negotiate in arm's length by reference to their historical prices, prevailing market prices of close comparables for the specialty products and costs of production with Shigemitsu Food to ascertain the price.

Payment terms: The consideration of the goods shall be paid by Festive Profits in full within one month after the goods have been delivered.

(D) RENEWED DESIGN UNION AGREEMENT

Date of agreement: 14 May 2024

Parties:	(1) Design Union as contractor; and (2) Ajisen (Hong Kong)
Term:	From 14 May 2024 to 13 May 2027
Scope of the agreement:	Design Union to provide services and materials for design, decoration and renovation for restaurants operated or to be operated by the Group in Hong Kong.
Pricing policy:	The consideration of the services and materials to be provided by Design Union to the Group would be determined by reference to costs of raw materials, costs of production, historical prices, and prevailing market prices of similar products and would be no less favourable than those offered by Design Union to other independent customers and on the terms to be determined by the parties after arm's length negotiation and on normal commercial terms that are fair and reasonable and in the interest of the Company and its shareholders as a whole.
Payment terms:	The consideration of the services and materials will be paid by the Group to Design Union in cash in full upon receipt of invoice.

(E) FRANCHISE AGREEMENTS

The Franchise Agreements were made on 19 February 2006. Pursuant to the Franchise Agreements, Shigemitsu Industry (as franchisor), agrees to grant a sole, exclusive and perpetual franchise to the Group to operate the Franchise Businesses in Mainland China, Hong Kong and Macao. The Franchise Agreements are perpetual unless terminated by an occurrence of any terminating event as set out in the Franchise Agreements.

The terms of the Franchise Agreements (including the fees payable by the Group to Shigemitsu Industry thereunder) were negotiated on an arm's length basis. The Directors believe that the perpetual term of the Franchise Agreements best serves the commercial interests of the Group and Shigemitsu Industry in their ordinary course of business dealing and is therefore a normal commercial practice. It is also important to and in the best interests of the Group and the shareholders of the Company to sign long-term franchise agreements with Shigemitsu Industry to secure the franchise rights and avoid any potential issues in entering into new agreements in the future. The technical fees payable by the Group to Shigemitsu Industry under the Franchise Agreements will be settled by cash on an annual basis while the franchise fees payable by the Group to Shigemitsu Industry will be settled by cash on a monthly basis.

(F) TRADEMARK LICENCE AGREEMENT

The Trademark Licence Agreement was made on 29 September 2016. Pursuant to the Trademark Licence Agreement, Ajisen Overseas (as exclusive licensee) grants an irrevocable sub-licence to use the Trademarks and the know-how to operate the Franchise Businesses in the Territory and the right to further sub-license the rights to any parties to operate the Franchise Businesses in the Territory. The Trademark Licence Agreement is for an unlimited duration unless otherwise terminated in accordance with its terms.

Pursuant to the Trademark Licence Agreement, Ajisen International shall pay to:

- (i) Ajisen Overseas a one-off fee in the sum of US\$15,000 in respect of each new store opened and operated in the Territory, save and except where the store is (a) located in an airport; or (b) operated by an Airport Operator (wherever located); or (c) operated by Ajisen International or Ajisen International's direct or indirect Affiliates; and
- (ii) each of Shigemitsu Industry and Ajisen Overseas a monthly royalty fee of US\$500 (or on pro rata basis if less than a month) for each store operated under the Franchise Businesses in the Territory during the term by Ajisen International, its Affiliates, franchisees and/or licensees.

MEASURES OF INTERNAL CONTROL

To ensure the transactions contemplated under the CCT Agreements are conducted on normal commercial terms and not prejudicial to the interests of the Company and its shareholders as a whole, the Company has adopted a series of internal control measures for its daily operation:

- The procurement department of the Group is responsible for ascertaining the prices and terms offered by third parties, generally by way of obtaining quotations from other independent third parties to determine the market price of similar goods and services under the CCT Agreements. In relation to those specialty products which are only available through Shigemitsu Industry and Shigemitsu Food, the procurement department will obtain quotations for close comparables, if available, from other independent parties.
- The procurement department of the Group will regularly conduct market research and update its comparable price database from time to time. The procurement department will review the comparable prices for similar products and services in each case under the CCT Agreements. If the prices offered by Shigemitsu Industry, Shigemitsu Food or Design Union are higher than those by other independent suppliers, the Group has the right to purchase the goods and services from other suppliers. Similarly, the prices offered by Fortune Choice to Shigemitsu Industry under the Renewed Fortune Choice Sales Agreement will be comparable to the prices offered by other third parties.

- The audit committee of the Company will review the transactions under the CCT Agreements annually.
- The auditor of the Company will also conduct an annual review on the pricing and annual caps of such continuing connected transactions.

HISTORICAL TRANSACTION AMOUNTS WITH RESPECT TO THE FRANCHISE AGREEMENTS, THE TRADEMARK LICENCE AGREEMENT AND THE CCT AGREEMENTS (AGGREGATED WHERE APPROPRIATE)

Transactions		For the year	For the year	For the year	For the period
		ended 31	ended 31	ended 31	from 1 January
		December 2021	December 2022	December 2023	2024 to 30
		(Audited)	(Audited)	(Audited)	(Unaudited)
		RMB	RMB	RMB	RMB
1. Franchise Agreements	Actual	27,085,000	24,623,000	22,779,000	7,145,000
	Cap	27,900,000	27,900,000	27,900,000	
(a) HK Franchise Agreement	Actual	488,000	290,000	277,000	123,000
– franchise fee	Cap	750,000	750,000	750,000	
(b) Mainland China Franchise Agreement					
(i) franchise fee	Actual	26,121,000	23,765,000	22,074,000	6,928,000
	Cap	26,500,000	26,500,000	26,500,000	
(ii) technical fee	Actual	476,000	568,000	428,000	94,000
	Cap	650,000	650,000	650,000	
2. Trademark Licence Agreement	Actual	–	17,000	84,000	29,000
	Cap	300,000	300,000	300,000	
(i) start-up fee	Actual	–	–	–	–
	Cap	150,000	150,000	150,000	
(ii) monthly royalty fee	Actual	–	17,000	84,000	29,000
	Cap	150,000	150,000	150,000	
3. Fortune Choice Supply Agreement and Festive Profits Supply Agreement	Actual	31,723,000	20,151,000	29,308,000	10,219,000
	Cap	32,000,000	32,000,000	32,000,000	
4. Fortune Choice Sales Agreement	Actual	908,000	1,091,000	838,000	246,000
	Cap	1,200,000	1,200,000	1,200,000	
5. Design Union Agreement	Actual	2,031,000	856,000	88,000	–
	Cap	6,549,000	6,895,000	7,033,000	

ANNUAL CAPS FOR THE FRANCHISE AGREEMENTS, THE TRADEMARK LICENCE AGREEMENT AND THE CCT AGREEMENTS

Based on the aggregate transaction amounts as stated above and the Group's business plan, the annual caps for the Franchise Agreements, the Trademark Licence Agreement and the CCT Agreements (aggregated where appropriate) are determined as follows:

	Annual caps for the financial year ending		
	31 December (RMB)		
	2024	2025	2026
Transactions			
1. Franchise Agreements			
(a) HK Franchise Agreement	500,000	500,000	500,000
– franchise fee			
(b) Mainland China Franchise Agreement			
(i) franchise fee	22,500,000	22,500,000	22,500,000
(ii) technical fee	550,000	550,000	550,000
2. Trademark Licence Agreement			
(i) start-up fee	150,000	150,000	150,000
(ii) monthly royalty fee	150,000	150,000	150,000
3. Renewed Fortune Choice Supply Agreement and Renewed Festive Profits Supply Agreement	28,500,000	28,500,000	28,500,000
4. Renewed Fortune Choice Sales Agreement	900,000	900,000	900,000
5. Renewed Design Union Agreement	5,080,000	5,588,000	6,147,000

INFORMATION ON THE PARTIES INVOLVED IN THE CONTINUING CONNECTED TRANSACTIONS

The Company

The Company is an investment holding company. The Group is a FCR chain operator selling Japanese ramen and Japanese-style dishes in Hong Kong and Mainland China under the “Ajisen” brand name pursuant to the franchise granted by Shigemitsu Industry.

Fortune Choice

Fortune Choice is an indirect wholly-owned subsidiary of the Company. Its holding company is Shenzhen Factory and its principal business is investment holding and trading of noodles and other food products manufactured by the Shenzhen Factory.

Festive Profits

Festive Profits is an indirect wholly-owned subsidiary of the Company. It is an intermediate holding company of the Group's operation in the PRC.

Ajisen (Hong Kong)

Ajisen (Hong Kong) is an indirect wholly-owned subsidiary of the Company. It is an intermediate holding company of the Group's operation in Hong Kong.

AJ Europe

AJ Europe is a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company. It is an investment holding company.

Ajisen International

Ajisen International is a company incorporated in the British Virgin Islands. It is owned as to 80% and 20% by AJ Europe and Ajisen Overseas respectively.

Ajisen Overseas

Ajisen Overseas is a company incorporated in Hong Kong and is held as to 99% by Mr. Katsuaki Shigemitsu, a non-executive Director. Ajisen Overseas is therefore a connected person of the Company.

Design Union

The principal business of Design Union is the provision of design and decoration services and it provides design, decoration and renovation services to the Group's chain restaurants in Hong Kong. Design Union is jointly owned by Mr. Poon Ka Man, Jason, an executive Director, and his wife. Mr. Poon is also the younger brother of Ms. Poon Wai, who is an executive Director and the chairman of the Group.

Shigemitsu Industry

Shigemitsu Industry is a company incorporated in Japan. It is the owner of the tradename “味千拉麵” and related trademarks, and franchisor of the Company. Mr. Katsuaki Shigemitsu indirectly owns approximately 68.35% in Shigemitsu Industry through Shigemitsu Corporation Limited, a company incorporated in Japan which is wholly owned by Mr. Katsuaki Shigemitsu.

To the best knowledge of the Directors having made reasonable enquiry, as at the date of this announcement, the remaining 31.65% interest in Shigemitsu Industry is owned as to: (i) approximately 7.45% by Directors Shareholding Association, an association control by independent

third parties; (ii) approximately 4.91% by Ms. Yoshie Shigemitsu and approximately 0.16% by Ms. Yoshimi Nakanishi, the sisters of Mr. Katsuaki Shigemitsu; (iii) approximately 3.96% by Mr. Masaki Hisatomi and approximately 3.96% by Mr. Taiji Hisatomi, the cousins of Mr. Katsuaki Shigemitsu; (iv) approximately 2.38% by Ms. Kyoka Shigemitsu, the daughter of Mr. Katsuaki Shigemitsu; (v) approximately 2.38% by Mr. Takao Shigemitsu, the son of Mr. Katsuaki Shigemitsu; (vi) approximately 1.58% by Ms. Akiko Shigemitsu, the mother of Mr. Katsuaki Shigemitsu; (vii) approximately 1.58% by Ms. Poon Wai, the chairman of the Company, an executive Director and a controlling shareholder of the Company; and (viii) approximately 1.58% by Mr. Cheng Wai Tao, approximately 1.58% by Mr. Wong Hin Sun, Eugene and approximately 0.16% by Mr. Masanobu Sannomiya, all of whom are individual investors and independent third parties.

Shigemitsu Food

Shigemitsu Food is a company incorporated in Mainland China and is wholly owned by Eagle Sky. Mr. Katsuaki Shigemitsu and Shigemitsu Industry own 60% and 30% interest in Eagle Sky respectively. The principal business of Shigemitsu Food is producing and selling of soup base and condiments.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Directors (including the independent non-executive Directors) are of the view that since the Group carries on the Franchise Businesses pursuant to the Franchise Agreements which have been, and will remain, a key factor to the Group's success, it would be in the best interests of the Company and its shareholders to have in place measures to ensure continuity and stability with respect to the supplies, services and expertise provided by the respective counterparties in the Franchise Agreements and the CCT Agreements. The Trademark Licence Agreement enables Ajisen International to carry on the Franchise Businesses in the Territory and to explore the opportunity to further develop and expand the food offerings and Franchise Businesses beyond the existing business landscape of the Group. The Directors (including the independent non-executive Directors) are also of the view that the Franchise Agreements, the Trademark Licence Agreement and the CCT Agreements are beneficial to the business of the Group as the goods, supplies, services, materials and expertise provided by the respective counterparties of the transactions are essential to the day-to-day operations of the Group's Franchise Businesses.

The Directors (including the independent non-executive Directors) consider that the Franchise Agreements, the Trademark Licence Agreement and the CCT Agreements have been entered into in the ordinary and usual course of business of the Group and that the Franchise Agreements, the Trademark Licence Agreement and the CCT Agreements were negotiated on an arm's length basis, on normal commercial terms, which are fair and reasonable, and in the interests of the Group and the Company's shareholders as a whole. The Directors (including the independent non-executive Directors) are also of the view that the annual caps of the continuing connected transactions under the CCT Agreements, the Franchise Agreements and the Trademark Licence Agreement are fair and reasonable.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Mr. Katsuaki Shigemitsu, a non-executive Director, indirectly owns approximately 68.35% interest in Shigemitsu Industry. Shigemitsu Industry therefore is an associate of Mr. Katsuaki Shigemitsu for the purpose of the Listing Rules. Further, Shigemitsu Food is wholly owned by Eagle Sky in which Mr. Katsuaki Shigemitsu and Shigemitsu Industry own 60% and 30% interest respectively. Shigemitsu Industry and Shigemitsu Food are therefore connected persons of the Company under the Listing Rules.

As such, the Franchise Agreements, the Trademark Licence Agreement and the entering into of the Renewed Fortune Choice Sales Agreement, the Renewed Fortune Choice Supply Agreement and the Renewed Festive Profits Supply Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Since the continuing connected transactions with Shigemitsu Industry and Shigemitsu Food are entered into by the Group with parties connected or otherwise associated with one another, they will be aggregated pursuant to Chapter 14A of the Listing Rules.

Design Union is jointly owned by Mr. Poon Ka Man, Jason and his wife. Mr. Poon is an executive Director and therefore Design Union is a connected person of the Company under the Listing Rules. Mr. Poon is also the younger brother of Ms. Poon Wai, who is an executive Director and the chairman of the Group and the maternal uncle of Ms. Minna Ng, who is an executive Director. As such, the entering into of the Renewed Design Union Agreement also constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Since Mr. Katsuaki Shigemitsu and Mr. Poon Ka Man, Jason have material interests in the above transactions and Ms. Poon Wai and Ms. Minna Ng are related to Mr. Poon Ka Man, Jason, they have abstained from voting on the Board resolutions approving such transactions. Save as disclosed above, none of the Directors has a material interest in the above transactions or is required to abstain from voting on the Board resolutions in relation to such transactions.

Since each of the applicable percentage ratios (other than the profits ratio) in relation to each of the annual caps of the transactions under each of the Franchise Agreements, the Trademark Licence Agreement and the CCT Agreements for 2024, 2025 and 2026 is more than 0.1% but less than 5%, the conduct of those transactions will accordingly constitute non-exempt continuing connected transactions of the Company which are subject to the reporting and announcement requirements, but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, the following terms and expressions (unless the context otherwise requires) shall have the following meanings:

“2021 CCT Agreements”	the Fortune Choice Sales Agreement, the Fortune Choice Supply Agreement, the Festive Profits Supply Agreement and the Design Union Agreement, each of them expired on 13 May 2024
“Affiliate(s)”	any specified firm or company directly or indirectly controlling or controlled by or under direct or indirect common control with such specified firm or company
“Airport Operator”	means any person who operates a food store or restaurant or carries on a business in an airport or other public transport hub (including but not limited to train station, bus station, rapid transit station and ferry terminal) serving food and/or beverage to travelling customers
“AJ Europe”	AJ Europe Limited, a company incorporated under the laws of the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Ajisen (Hong Kong)”	Ajisen (Hong Kong) Limited, formerly known as Fine Fit Profits Limited, a company incorporated in the British Virgin Islands and an indirectly wholly-owned subsidiary of the Company
“Ajisen International”	Ajisen International Limited, a company incorporated under the laws of the British Virgin Islands with limited liability which is held as to 80% by AJ Europe and 20% by Ajisen Overseas
“Ajisen Overseas”	Ajisen Overseas Franchising Company Limited, a company incorporated under the laws of Hong Kong and is held as to 99% by Mr. Katsuaki Shigemitsu, a non-executive Director
“Board”	the board of directors of the Company
“CCT Agreements”	the Renewed Fortune Choice Sales Agreement, the Renewed Fortune Choice Supply Agreement, the Renewed Festive Profits Supply Agreement and the Renewed Design Union Agreement
“Company”	Ajisen (China) Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the main board of the Stock Exchange

“Design Union”	Design Union Interior Contracting Limited, a company incorporated in Hong Kong and is jointly owned by Mr. Poon Ka Man, Jason, who is an executive Director, and his wife
“Design Union Agreement”	the agreement entered into between Design Union and Ajisen (Hong Kong) dated 8 March 2007 pursuant to which Design Union agreed to provide services and materials for design, decoration and renovation for restaurants operated or to be operated by the Group in Hong Kong, the term of which was extended until 13 May 2024 by the renewal agreements dated 14 May 2009, 14 May 2012, 14 May 2015, 14 May 2018, and 14 May 2021
“Director(s)”	the director(s) of the Company
“Eagle Sky”	Eagle Sky International Limited, a company incorporated in Hong Kong in which Mr. Katsuaki Shigemitsu, a non-executive Director, and Shigemitsu Industry own 60% and 30% interest respectively
“FCR”	fast casual restaurant
“Festive Profits”	Festive Profits Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Festive Profits Supply Agreement”	the agreement dated 14 May 2009 entered into between Shigemitsu Food and Festive Profits relating to the supply of food products, goods, materials and supplies to the Group for the operation of the Franchise Businesses, the term of which was extended until 13 May 2024 by the renewal agreements dated 14 May 2012, 14 May 2015, 14 May 2018, and 14 May 2021
“Fortune Choice”	Fortune Choice Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Fortune Choice Sales Agreement”	the agreement entered into between Shigemitsu Industry and Fortune Choice dated 23 May 2006 pursuant to which Fortune Choice agreed to sell and export various goods to Shigemitsu Industry, the term of which was extended until 13 May 2024 pursuant to the renewal agreements dated 14 May 2009, 14 May 2012, 14 May 2015, 14 May 2018 and 14 May 2021

“Fortune Choice Supply Agreement”	the agreement (as supplemented by a supplemental agreement dated 16 September 2006) entered into between Shigemitsu Industry and Fortune Choice dated 23 May 2006 pursuant to which Shigemitsu Industry agreed to supply materials and supplies which are required by the Group for the operation of the Franchise Businesses, including soup base, condiments and other goods. The term of the agreement was extended until 13 May 2024 pursuant to the renewal agreements dated 14 May 2009, 14 May 2012, 14 May 2015, 14 May 2018 and 14 May 2021
“Franchise Agreements”	collectively, the HK Franchise Agreement and the Mainland China Franchise Agreement
“Franchise Businesses”	(1) the business of manufacturing, supplying, marketing, distributing and selling ramen and the special Japanese soup base formulated and produced by Shigemitsu Industry; and (2) the business of operating Japanese-style ramen FCR chain under the trade name of “味千拉麵” and related trademarks
“Group”	the Company and its subsidiaries
“HK Franchise Agreement”	the franchise agreement dated 19 February 2006 and made between Shigemitsu Industry as franchisor and Hong Kong Ajisen Food Company Limited, an indirect wholly-owned subsidiary of the Company, as franchisee in relation to the Franchise Businesses in Hong Kong and Macao
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macao”	the Macao Special Administrative Region of the PRC
“Mainland China Franchise Agreement”	the franchise agreement dated 19 February 2006 and made between Shigemitsu Industry as franchisor and (after the Novation Agreement) Festive Profits as franchisee in relation to the Franchise Businesses in Mainland China

“Novation Agreement”	the novation agreement dated 16 September 2006 and made between Ajisen Ramen Group Limited, Festive Profits and Shigemitsu Industry for the assumption of the rights and obligations of Ajisen Ramen Group Limited under the Mainland China Franchise Agreement by Festive Profits
“PRC”	The People’s Republic of China
“Renewed Design Union Agreement”	the renewal agreement in respect of the Design Union Agreement entered into between Design Union and Ajisen (Hong Kong) on 14 May 2024 under which the term of the Design Union Agreement is further extended for a three-year term ending on 13 May 2027
“Renewed Festive Profits Supply Agreement”	the renewal agreement in respect of the Festive Profits Supply Agreement entered into between Festive Profits and Shigemitsu Food on 14 May 2024 under which the term of the Festive Profits Supply Agreement is further extended for a three-year term ending on 13 May 2027
“Renewed Fortune Choice Sales Agreement”	the renewal agreement in respect of the Fortune Choice Sales Agreement entered into between Fortune Choice and Shigemitsu Industry on 14 May 2024 under which the term of the Fortune Choice Sales Agreement is further extended for a three-year term ending on 13 May 2027
“Renewed Fortune Choice Supply Agreement”	the renewal agreement in respect of the Fortune Choice Supply Agreement entered into between Fortune Choice and Shigemitsu Industry on 14 May 2024 under which the term of the Fortune Choice Supply Agreement is further extended for a three-year term ending on 13 May 2027
“RMB”	Renminbi, the lawful currency of Mainland China
“Shenzhen Factory”	味千拉麵(深圳)有限公司 (Wei Qian Noodle (Shenzhen) Co., Ltd), a company established in Mainland China and an indirect wholly-owned subsidiary of the Company
“Shigemitsu Industry”	Shigemitsu Industry Co., Ltd. (also known as Shigemitsu Kabushiki Kaisha or Shigemitsu Sangyo Co., Ltd), a company incorporated in Japan of which Mr. Katsuaki Shigemitsu indirectly owns approximately 68.35% interest

“Shigemitsu Food”	西蓋米食品(上海)有限公司 (Shigemitsu Food (Shanghai) Co., Ltd.), a company established in Mainland China which is wholly owned by Eagle Sky
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Territory”	(i) Europe, including but not limited to the countries of the United Kingdom, Albania, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kazakhstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Moldova, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, Portuguese Republic, Romania, Russia, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, Vatican City, Abkhazia, Kosovo, Nagorno-Karabakh, Turkish Republic of Northern Cyprus, South Ossetia, Transnistria/Trans-Dniester, Akrotiri and Dhekelia, Faroe Island, Gibraltar, Guernsey, Isle of Man, Jersey, Aland, Northern Ireland, Svalbard, and any other countries which are not stated above but are included from time to time as parts of Europe within the definition of the United Nation and (ii) airports in any country, region or city of the world (excluding Japan, Singapore, Mainland China, Hong Kong, Macao, Malaysia, Indonesia, Vietnam, Thailand, Cambodia, Mongolia, the Philippines, the United States (West Coast, New York, Guam and Saipan), Canada and Melbourne)
“Trademark Licence Agreement”	the trademark licence agreement dated 29 September 2016 entered into between Ajisen Overseas and Ajisen International in relation to, among others, granting an irrevocable sub-licence to Ajisen International for use of Trademarks and know-how to operate the Franchise Businesses in the Territory and the right to further sub-licence the rights to any parties to operate the Franchise Businesses in the Territory
“Trademarks”	trade name of “Ajisen Ramen” and the associated trademarks owned by Shigemitsu Industry from time to time during the term of the Trademark Licence Agreement howsoever they are registered or unregistered in the Territory

“US\$”

United States Dollar, the lawful currency of the United States of America

By order of the Board
Ajisen (China) Holdings Limited
Poon Wai
Director

Hong Kong, 14 May 2024

As at the date of this announcement, the Board comprises Ms. Poon Wai, Mr. Poon Ka Man, Jason and Ms. Ng Minna as executive Directors; Mr. Katsuaki Shigemitsu and Mr. Yew Yat On as non-executive Directors; and Mr. Lo Peter, Mr. Jen Shek Voon and Mr. Ho Pak Chuen Brian as independent non-executive Directors.