



**康師傅控股有限公司**  
**TINGYI (CAYMAN ISLANDS) HOLDING CORP.**

November 27, 2002

Press Release

With reference to some articles that appeared in the market on November 25 and November 26, 2002 regarding the intention of Tingyi (Cayman Holding) Corp.(the “ Company”) (HKSE 0322) to produce and sell instant noodle in Taiwan market, the Board wishes to clarify that the Company intends to procure one new production line, which cost US\$2-3 million, to produce bowl noodle in Taiwan.

Although Taiwan has already entered WTO, instant noodles are not still allowed to be imported to Taiwan from China directly. As a result, the Company has decided to invest a new production line in Taiwan and lease Wei Chuan’s manufactory to produce instant noodle in Taiwan. For the company, this is a warm-up stage for our Taiwan market strategy. And once the Taiwan government allows instant noodle to be imported to Taiwan from China directly, the company will export instant noodle from the Fuzhou factory. As the production cost is lower in China, the margin for exporting noodle to Taiwan will be higher than domestic sales within mainland China.

To complete the Greater China strategy, the company believes that it is the right time to enter the Taiwan market for preparing the future. Even though the Taiwan instant noodle market has negative or flat growth in 2001, it is still an important market with total instant noodle consumption of about NT\$10 billion.

The company will launch Mr.Kon instant noodle on December 2, 2002 by using traditional channels and sales channel from Wei Chuan as well as all the modern channels except for President Chain Store. Mr.Kon’s brand is well recognized in Taiwan since the founder of the Company is from Taiwan and Tingyi is one of the high profitable Taiwanese companies operating in China. The Company is confident to gain 10% market share after launching its bowl noodles in China within one year.

Source: Tingyi (Cayman Islands) Holding Corp.