

Nestlé acquires 40% stake in China's confectionery manufacturer Xu Fuji

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Nestlé China announced that it has reached an agreement with the Xu family to acquire the remaining 40 per cent stake in Xu Fuji, China's leading confectionery manufacturer and marketer. Nestlé formed a partnership with Xu Fuji in 2011, acquiring 60 per cent of Xu Fuji's shares and providing technical and market support for the Xu Fuji brand series in areas such as formulation, research and development, and quality control.

As a well-known domestic candy brand, Xu Fuji has established extensive connections with consumers both at home and abroad. Since joining the Nestlé family, Xu Fuji has gradually transformed into a "national classic snack brand," successfully integrating it into daily consumption scenarios. The company has launched many healthy and delicious new products, expanding its portfolio from a focus on shachima and candy to include multiple categories such as jelly, pastries, Kit Kat chocolate, and the recently launched Milo Sports biscuits. This transaction will provide Xu Fuji with greater access to Nestlé's global brand and product resources, helping it achieve its growth goals. In turn, Nestlé can enhance its domestic snack and candy business by leveraging Xu Fuji's existing strengths, particularly its robust distribution network.

"This move combines Hsu Fu Chi's operational efficiency and entrepreneurial spirit with our proven innovation capabilities, accelerating the growth of the Hsu Fu Chi brand and further strengthening Nestlé's market presence in China," said Xiqiang Zhang, CEO of Nestlé Greater China. "This also demonstrates our long-term commitment to the Chinese market and will enhance our ability to develop both international and local brands within this dynamic environment."

Nestlé has nearly 40 years of experience in China and currently operates 23 factories, five product innovation centres, and three R&D centres in the country, employing more than 21,000 individuals.