



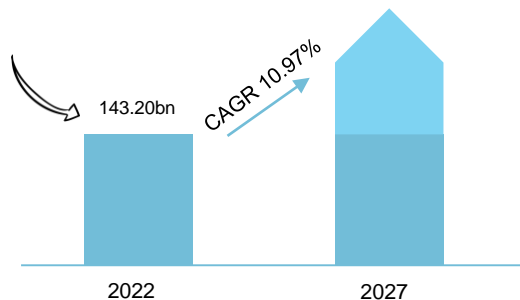
MARKET TRENDS IN CHINA:
DAIRY



KEY TRENDS

In global comparison, most revenue is generated in China

China Dairy Products Market (US\$)



+ IN-SCOPE

- Fresh milk
- Yoghurt
- Cheese
- Eggs
- Non-dairy milk substitutes, preserved and powdered milk

- ▶ Volume is expected to amount to 50,084.2mkg by 2027 & is expected to show a volume growth of 8.2% in 2023.
- ▶ In relation to total population figures, per person revenues of US\$98.33 are generated in 2022, the average volume per person is expected to amount to 23.5kg in 2022.

PROSPECTS AND OPPORTUNITIES



FANCY SHAPED ICE CREAM



MILK ALTERNATIVES: OAT MILK

100%
Natural

UNPROCESSED CHEESE



REDUCED SUGAR, FORTIFIED &
FUNCTIONAL YOGHURT



FANCY SHAPED ICE CREAM

The shapes in which ice cream is sold worldwide is rather limited (blocks, popsicles, cones, etc.). This is now changing radically in China. A number of ice cream products with a fancy high-end appearance have been launched as well.

Yili Very Panda Ice Cream

伊利妙趣非常熊猫

- Special Edition For Winter Olympics
- Brown Sugar Flavoured
- Product Of China



Dong Bei Da Ban (东北大板×与君初相识) Limited Edition Fish Tail Ice Cream

- Blueberry flavoured
- Product of China

Dong Bei Da Ban 东北大板 Pineapple Flavoured Ice Cream

- The combination of yellow pineapple ice cream, dark shiny chocolate and the sharply cut shape makes it a genuine piece of art
- Product of China



雀巢呈真雪糍 Nestle Chengzhen Mochi Ice Cream

- Inspired by Japanese Daifuku
- Product of China

FANCY SHAPED ICE CREAM



Ice Demon (冰雪怪) Bear Paw Ice Cream

- Handmade
- Product of China

Meng Niu Sui Bian (蒙牛随变) Ice Cream

- Combination of Blueberry and orange jam combined to be a sweet and sour ice cream, cookie crisp and chocolate crunch makes the texture of the ice cream taste ample
- Product of China

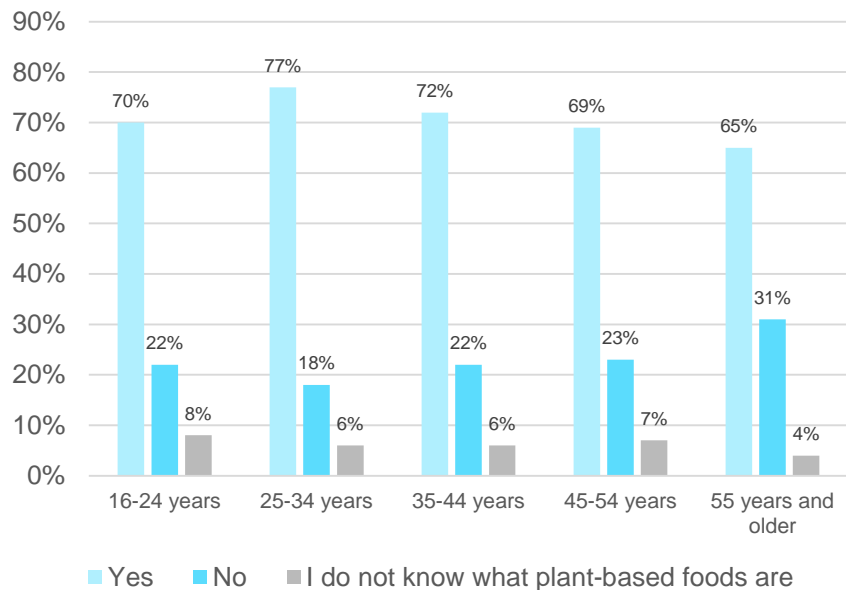


Pu La La (普拉拉) Handmade Ice Cream

- Twisted Banana – Banana Milk Flavoured
- Cherry Blossom – Cherry Blossom & Milk Flavoured
- Mermaid (Added with Collagen) – Blue Tangerine & Lemon Flavoured
- Product of China

MILK ALTERNATIVES: OAT MILK

Share of respondents in China who consumed plant-based food alternatives as of November 2021, by age group



The dynamic growth of oat milk dates back to 2018, when Oatly began promoting its products in foodservice in China, mainly as a milk replacement in coffee.

In 2019, retail oat milk products were available, mainly through e-commerce, again from Oatly.



MILK ALTERNATIVES: OAT MILK



The Original Oatly Oat Drink Barista Edition

- Strict selection of imported oats
- high calcium
- 0 lactose
- 0 sucrose
- 0 cholesterol
- 0 trans fats
- Product of China

Ingredients: Oat Pulp (Water, Oat), Water, Rapeseed Oil, **Dipotassium Phosphate, Calcium**, Salt. Oat Addition $\geq 10\%$.

MILK ALTERNATIVES: OAT MILK

Ocak 欧扎克 Oat Milk

- Rich in vitamins and minerals
- Contains unsaturated fatty acids
- Contains 18 amino acids
- Contains dietary fiber
- Product of China

Ingredients: Water, Oats, Vegetable Oil, **Dipotassium Phosphate**, Salt.



UNPROCESSED CHEESE

100%
Natural

Currently, children are the main consumers of cheese, and the products they consume are mainly processed cheese (cheese sticks).

However, better-educated consumers are now also starting to welcome unprocessed cheese, which is seen as more natural and therefore better for children's diet.



Mini Babybel

- Conveniently wrapped and ready for snacking.
- 98% Milk Content
- High in Calcium & Protein
- No preservatives & colouring
- Product of France

UNPROCESSED CHEESE



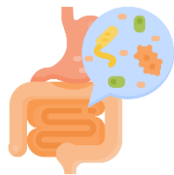
Swiss Moon Natural Sliced Cheese

- Calcium 920mg/100g
- Clean label
- Product of Switzerland

Ingredients: Pasteurized Milk, Salt, Streptococcus Thermophilus, Lactobacillus Delbrueckii Subsp, Rennet.

REDUCED SUGAR, FORTIFIED & FUNCTIONAL YOGHURT

Reduced sugar yoghurt was not previously welcomed in China, as the taste was not well-accepted by consumers. However, in the last three years, consumers' awareness of weight management has been increasing, leading to a fear of high sugar intake, and therefore the rise of some start-up brands, including Jian'ai and Hokkai Pastures.



Functionality will remain a focus for innovation. Despite its healthy properties, fortified & functional yoghurt has not benefited from the pandemic as much as might have been expected, due to logistics disruptions. Nevertheless, it is still a major focus for innovation amongst manufacturers, and numerous new products highlighting digestive and other functions have constantly been launched.



Momchilovtsi 莫斯利安 Low Fat & Reduced Sugar Ambient Yoghurt Drink

- 66kcal/100g
- 50% less fat
- 25% less sugar
- Product of China

Ingredients: Milk, Sugar, Hydroxypropyl Distarch Phosphate, Agar, Sodium Alginate, Pectin, **Whey Protein Powder**, Food Flavour, Lactobacillus Bulgaricus, Streptococcus Thermophilus.

REDUCED SUGAR, FORTIFIED & FUNCTIONAL YOGHURT



Wei Gang 卫岗 Original Flavour Yoghurt

- Added with prebiotics (FOS) which enhance digestive health
- Product of China

Ingredients: Raw Milk (Milk Powder), Sugar, Fructose Syrup, Water, **Fructooligosaccharides (FOS)**, Food Additives (Hydroxypropyl Distarch Phosphate, Acetylated Distarch Phosphate, Agar), Lactobacillus Bulgaricus, Streptococcus Thermophilus.

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THANK YOU