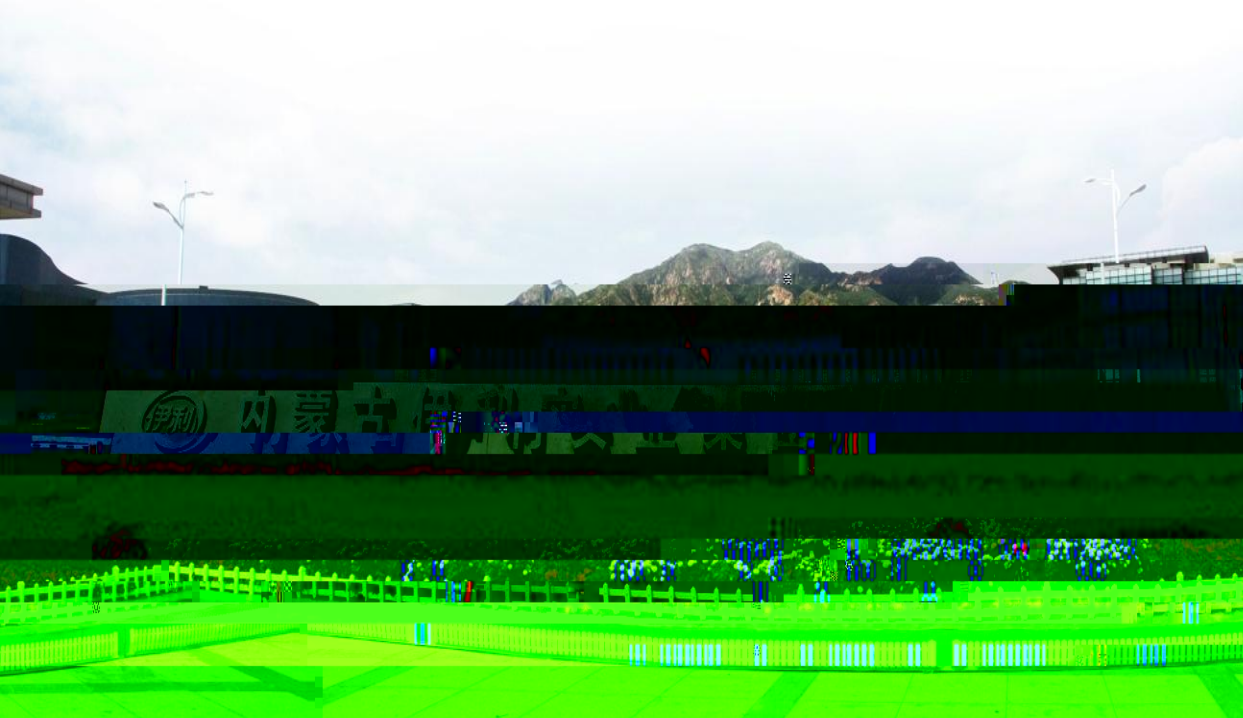




## YILI 2017 First Half Results





About Yili



Yili is the NO.1 in Asia and global top 8 Chinese dairy company.

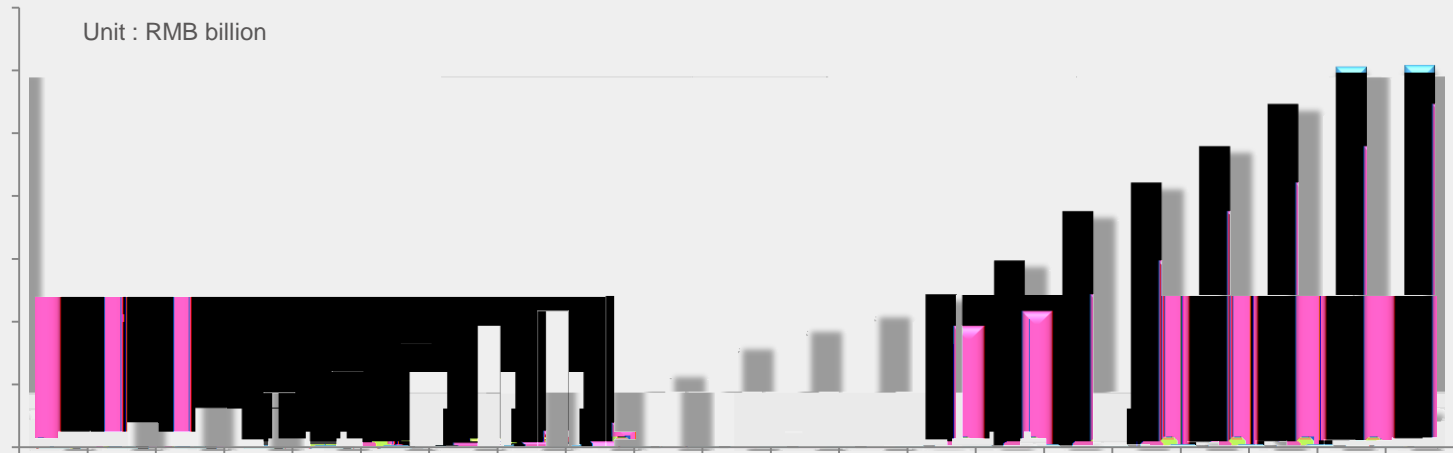
Yili owns the largest scale and the most perfect product line in China dairy industry.

Yili is the unique enterprise in China who conforms to Olympic Standard and World Expo Standard, providing dairy products for both Beijing 2008 Olympic Games and 2010 Shanghai World Expo.



Total revenues of Yili in 2016 were RMB60.609 billion, and net profit attributable to owners of the company was RMB5.662 billion. Both revenues and net profit maintained growth as compared with last year and continued to rank NO.1 in Asia dairy industry.

Total Revenues (1996 - 2016)







In my opinions, there are two kinds of people: the ones who drink milk and the ones who do not. My goal is to combine the two



## Introduction of Leader



(  
Pan Gang, the Chairman and President of Yili Group

By 2002, he was the youngest president among the 520 key industrial enterprises

He has been holding the position of Chairman and President of Yili Group since June 2005

External Recognition





# Management Thinking



" & "

The emergence of the "Internet+the-supply-chain innovation" strategy

" & "

Referring to "management" and the "precise management" management ideas

" & "

The strategic partner of the Olympic Games and the World Expo

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Accumulation is more important than speed, the prosperity of the industry is more important than the success of individual enterprise, social value is more important than personal profit. In the process of our growth.

Pan Gang, President of Yili Group







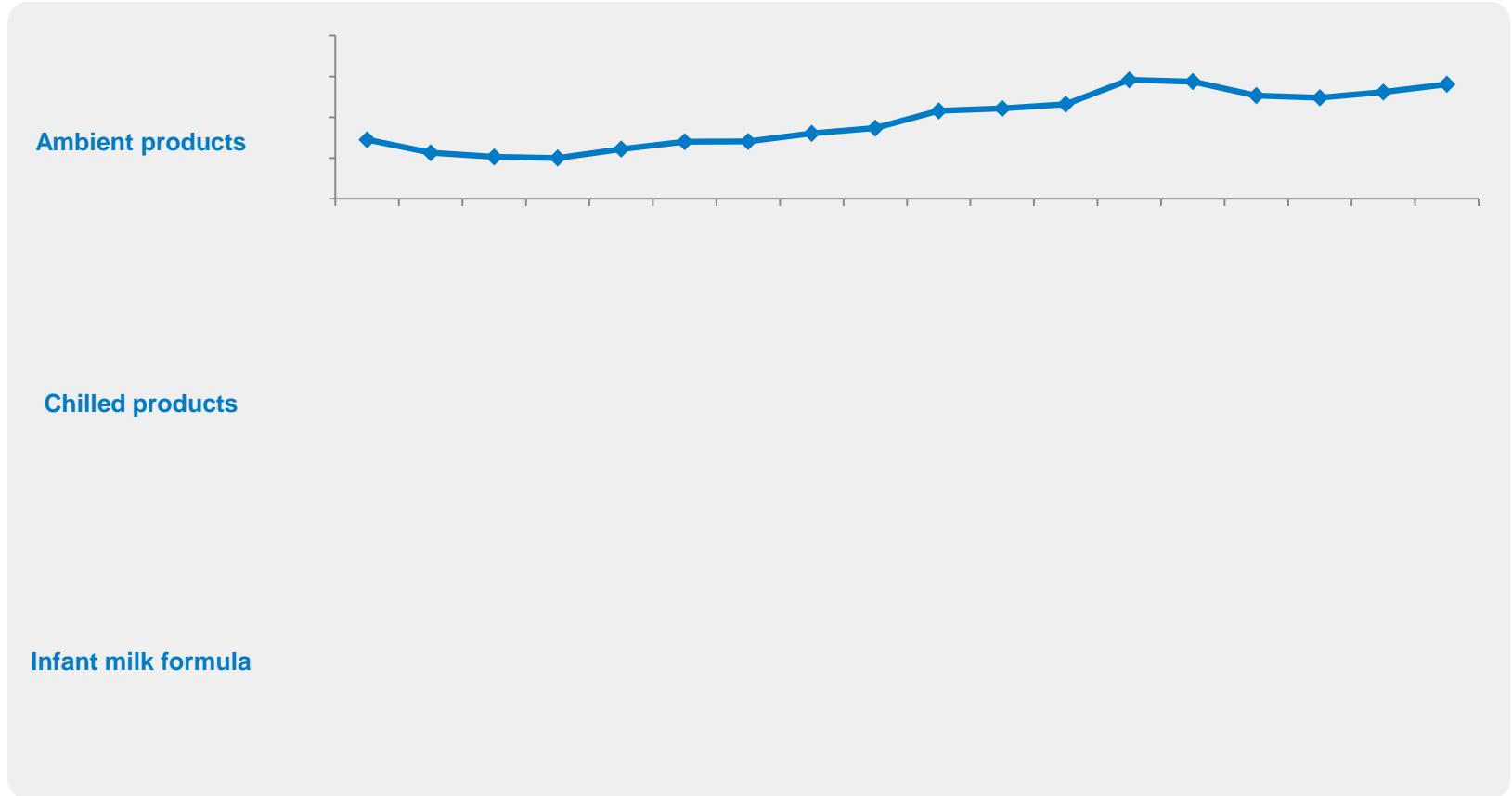
## Core Business Revenues Breakdown by Segment







## Market Share of Yili

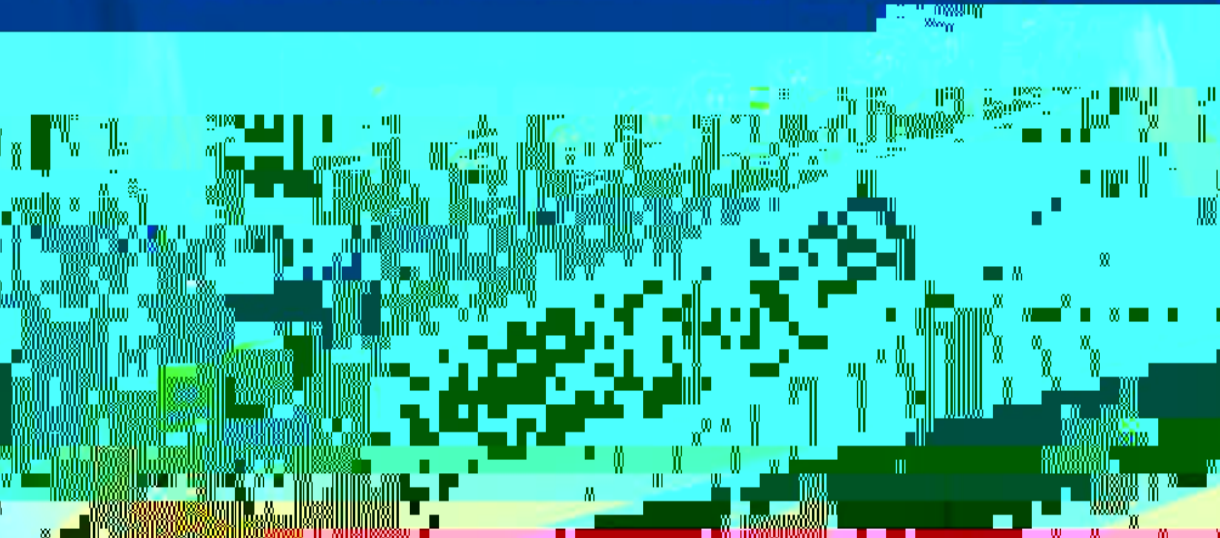
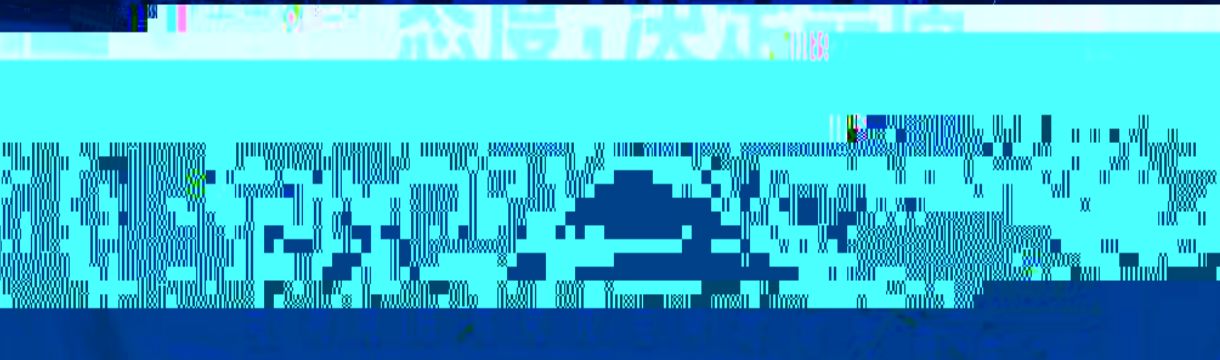










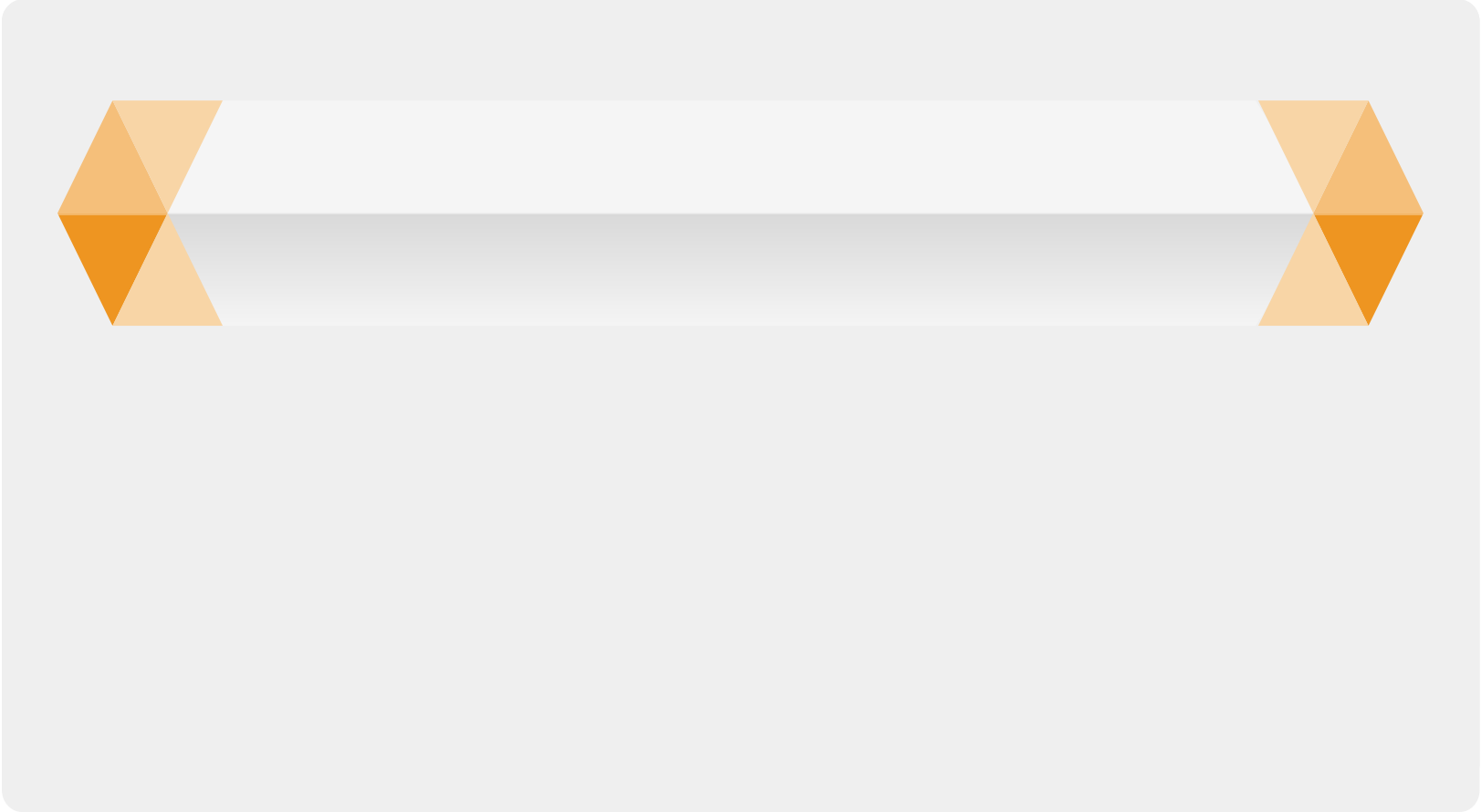


## Business Review





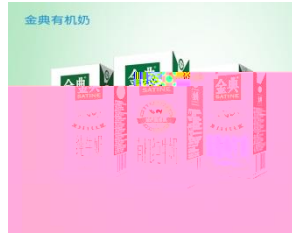
Brand 0 708.72 46B0.814 399.035683 22758B27F68B.964T12.9@ Tf1 01006 386.06 3860664900594900341



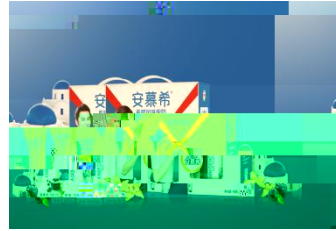


31%

Revenues of key products increased by nearly 31% YoY



Satine



Ambrosial



ChangQing



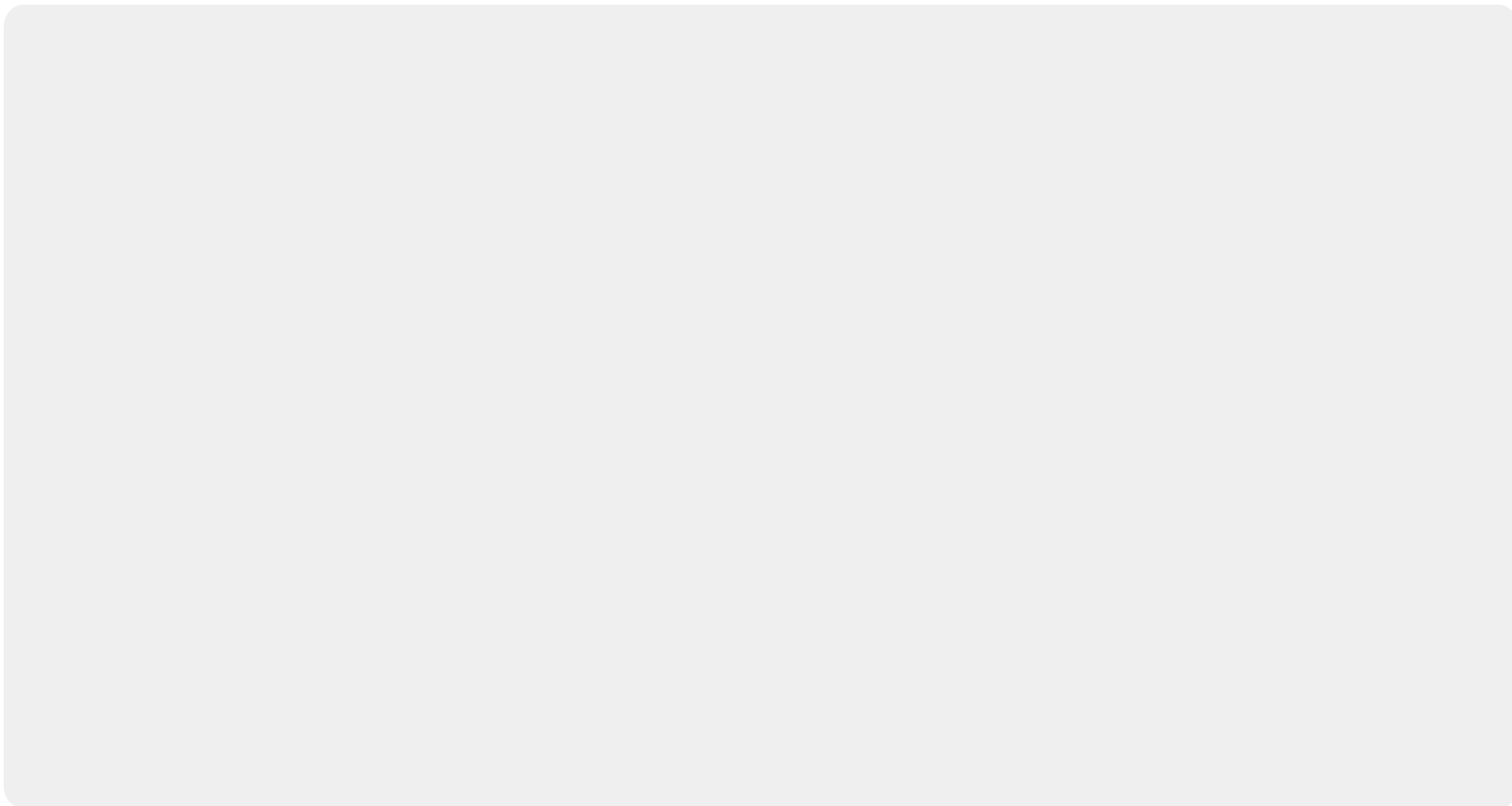


## Products



7%

New products accounted for nearly 7% of total revenues



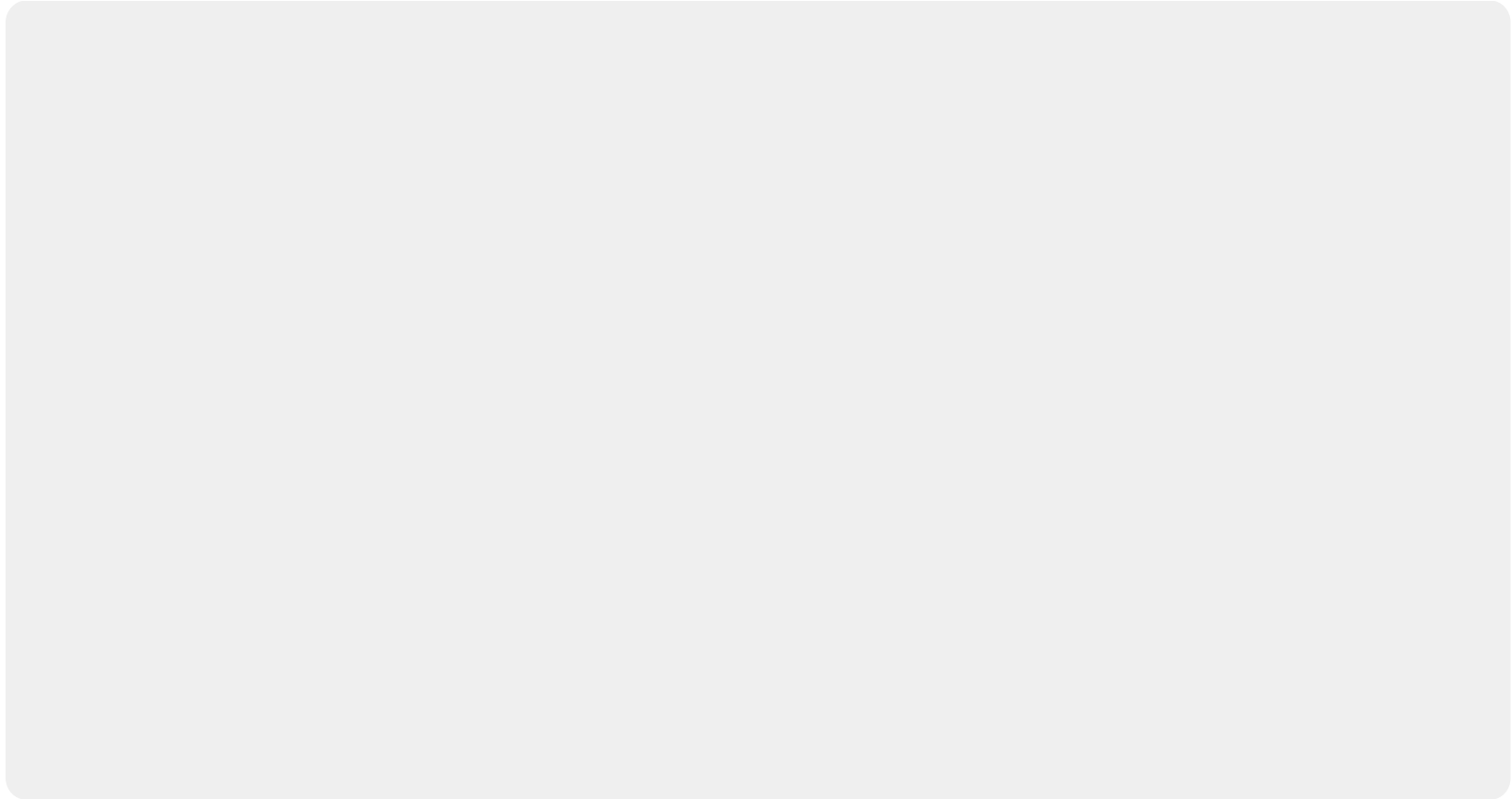




## Current Situation of Industry



## Current Situation of China's Dairy Industry





## Current Situation of China's Dairy Industry



### Innovative dairy products leading the consumption upgrade

According to Nielsen, during the reporting period, the combined retail sales of new lactobacillus beverages and yogurt products grew nearly 20% YoY.

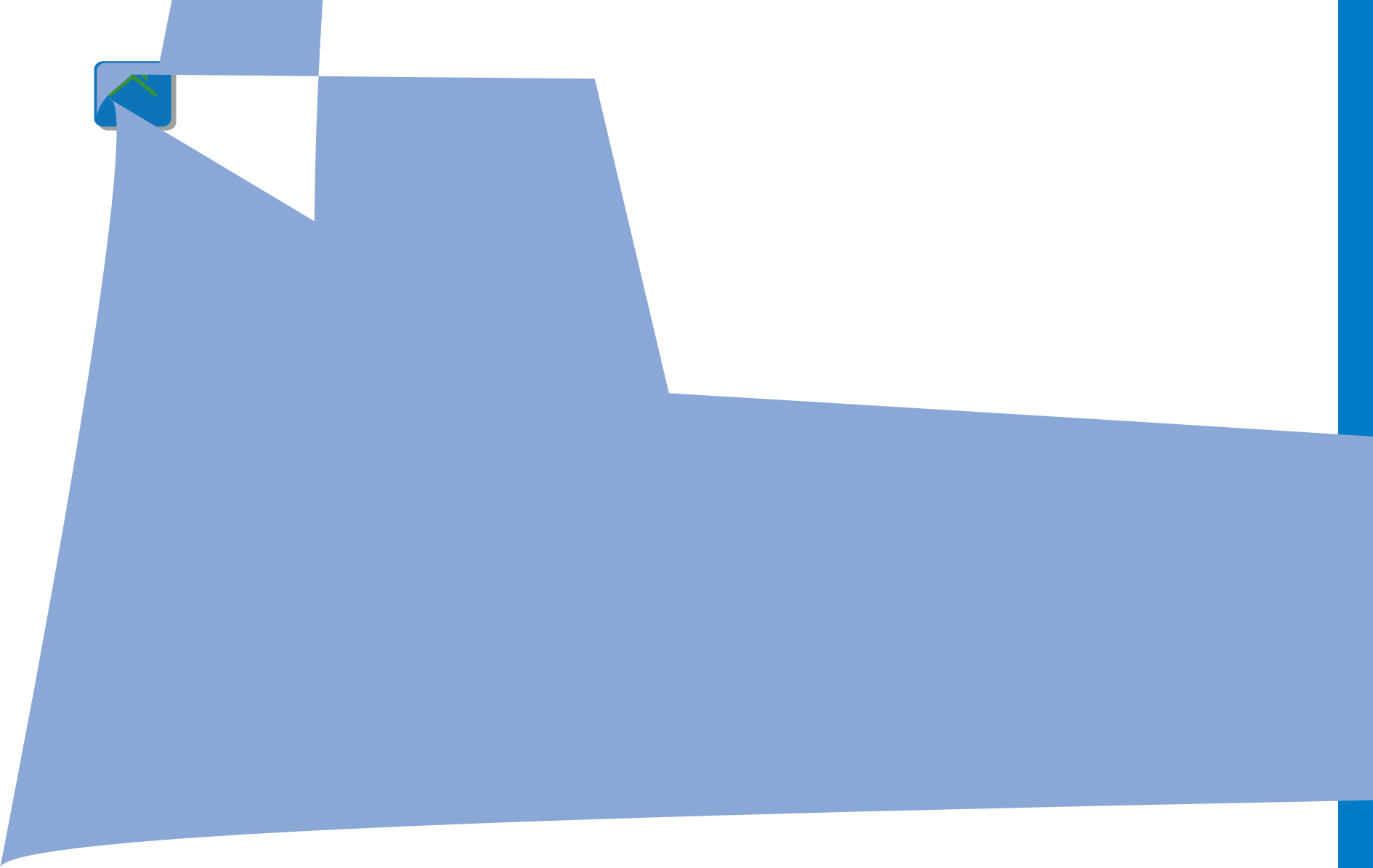
### Government policy ensuring dairy quality and safety

Promoting infant milk formula registration system.

## 2017

### Dairy enterprises facing costs pressure in 2017

During the reporting period, the purchase price of domestic raw milk was basically stable. Beginning in early 2017, domestic sugar and packaging materials prices continued to rise. It is expected that dairy enterprises will face greater costs pressure in 2017 compared with the last year.









Soul of Brand



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