

## YILI 2017 1<sup>st</sup> Quarter Results

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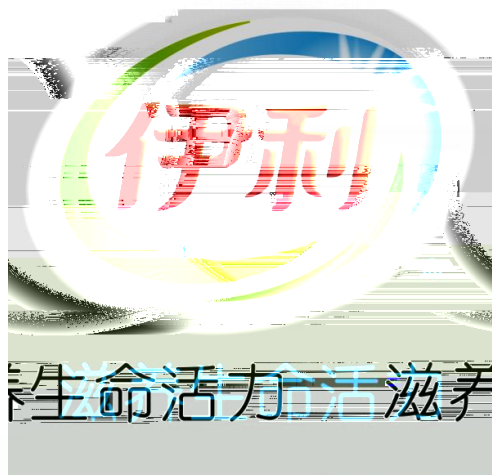
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About Yili



## 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.

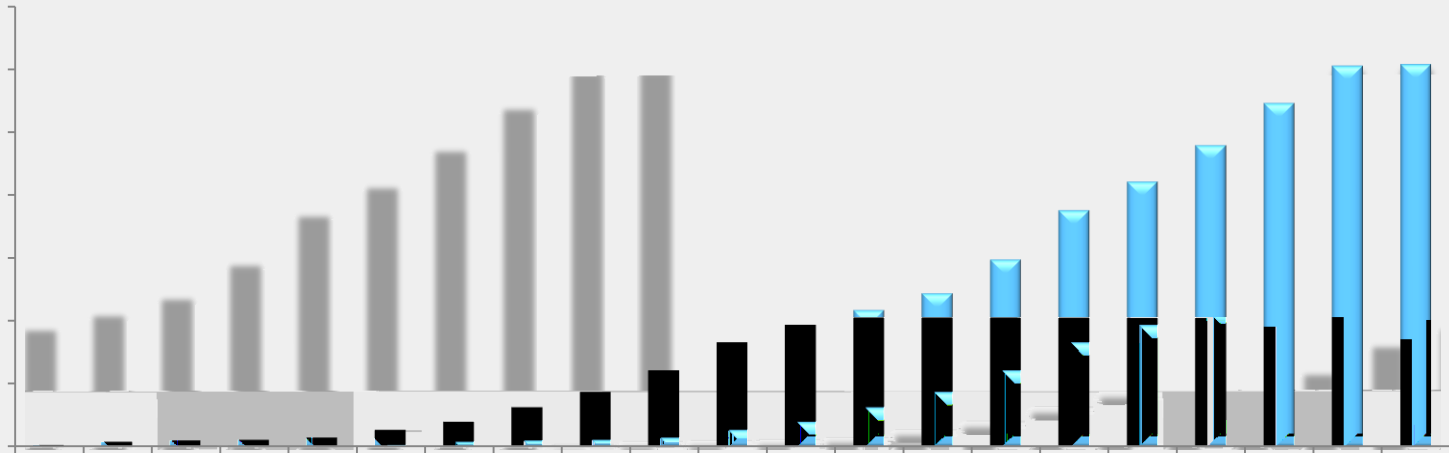
Yili is the unique enterprise in China who conforms to Olympic Standard and World Expo Standard, providing dairy products for both Beijing 2008 Olympic Games and 2010 Shanghai World Expo.



## About Yili



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.

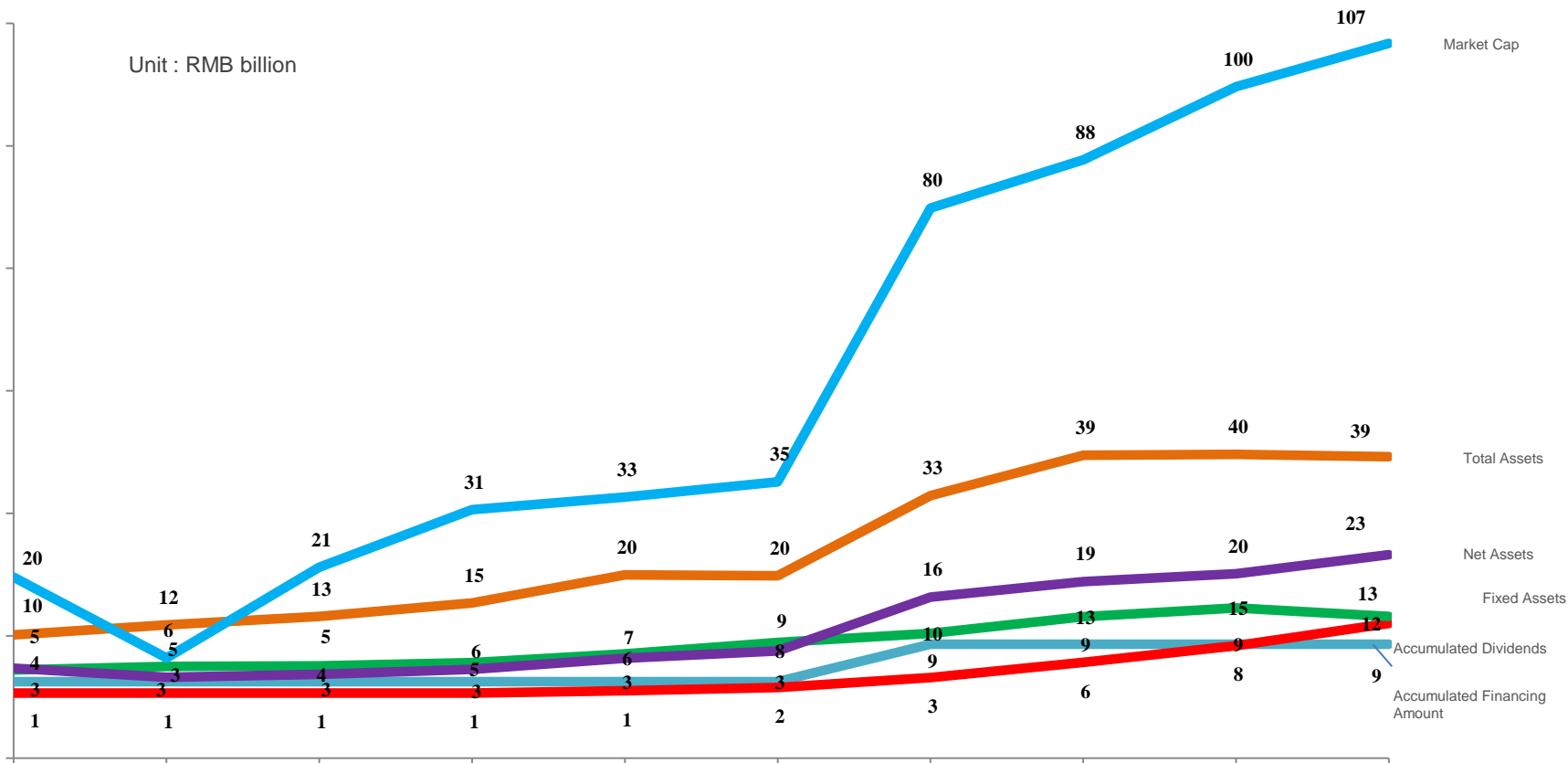




# Shareholder Returns



滋养生命活力





## Address from Chairman



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 kinds of people into one, the ones who drink milk and enjoy the nutritional and healthy lifestyle by drinking milk.

Pan Gang, President of Yili Group



## Introduction of Leader



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Pan Gang, the Chairman and President of Yili Group

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





## Introduction of Leader



### External Recognition

2016 Member of UNDP Private Sector Advisory Board

2011, Outstanding leadership award of Green economy in Asia & Pacific area

2010, Outstanding business leader in Asia & Pacific area

2010 Business leader in Power of Changing China Awards

2009 Top 10 Chinese economics leader

2007, The best leader of Russia-China friendship

2006 Davos Youth Global Leader

2006 National May-1st Labor Medal

8

2005 CCTV China Annual Economic Figure

2004 China Youth May-fourth Medal





## Management Thinking



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The "national networking" and "global networking" strategy

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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

our growth.

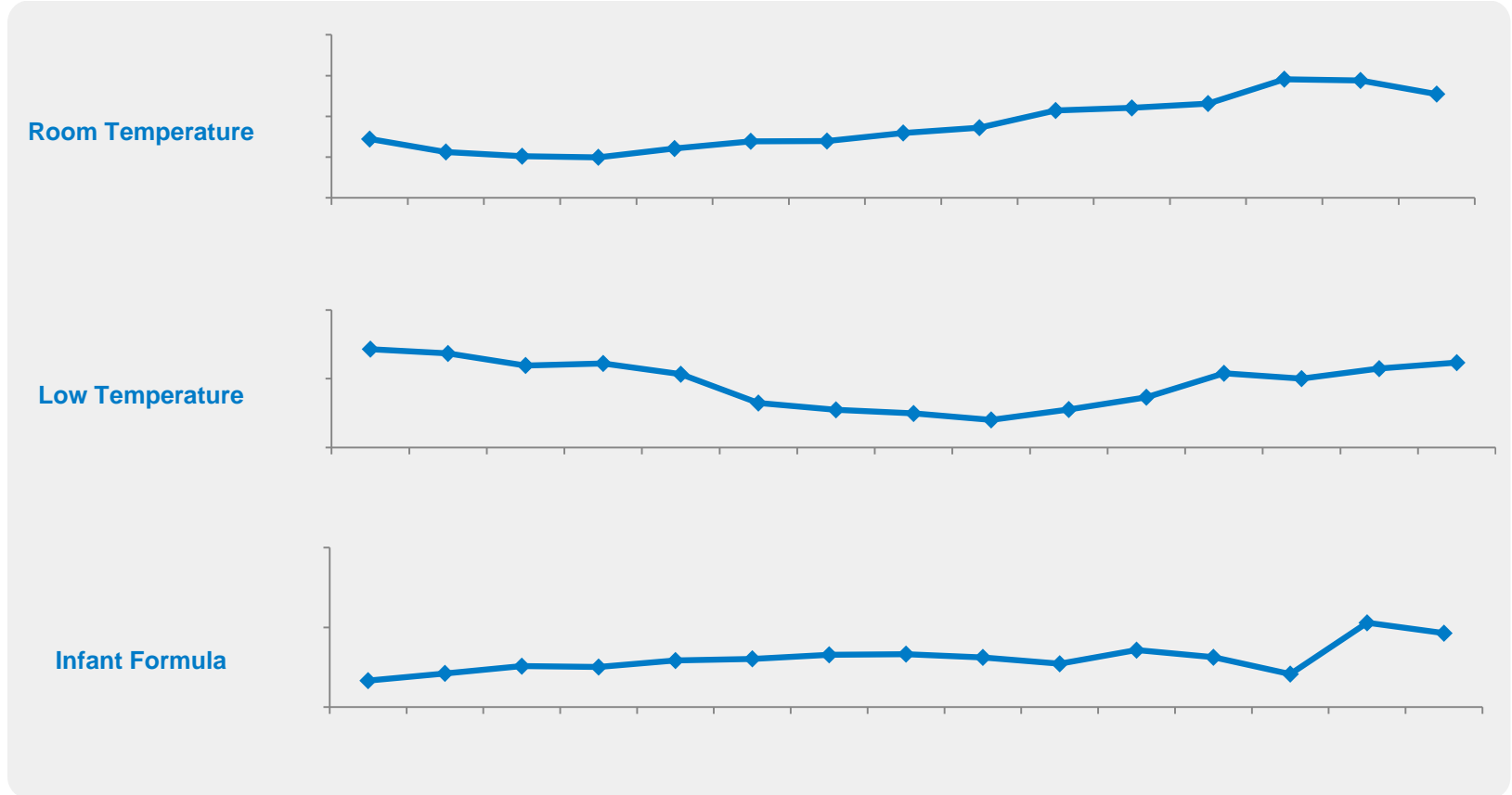
Pan Gang, President of Yili Group







## Market Share of Yili



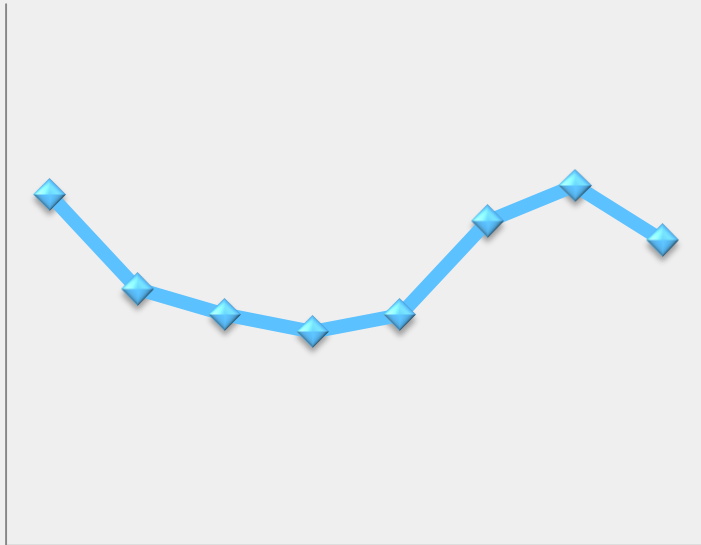
Data source: Nielsen the E-Commerce data is excluded from the infant milk formula



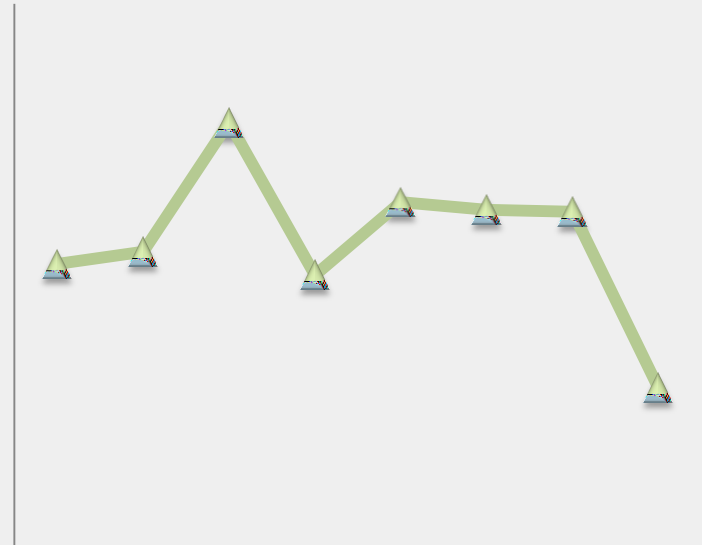
# SG&A Expense Ratio



### Selling Expense Ratio



### G&A Expense Ratio

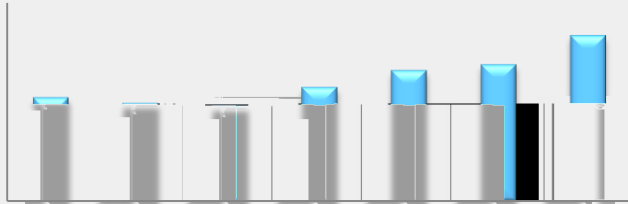




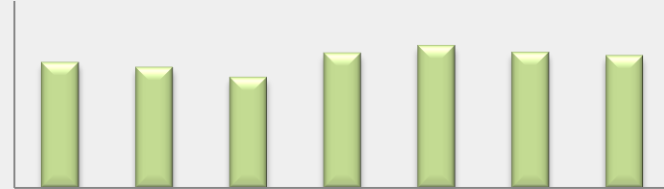
# Operating Efficiency



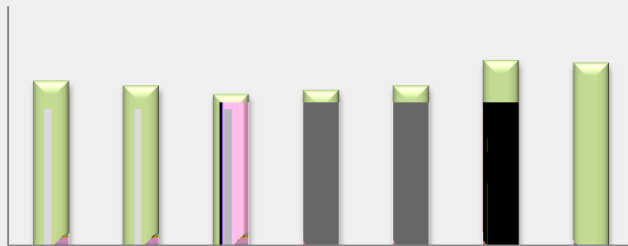
### Accounts Receivable Turnover (Days)



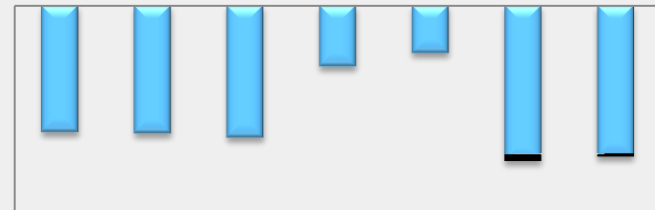
### Inventory Turnover (Days)



### Accounts Payable Turnover (Days)



### Cash Turnover (Days)

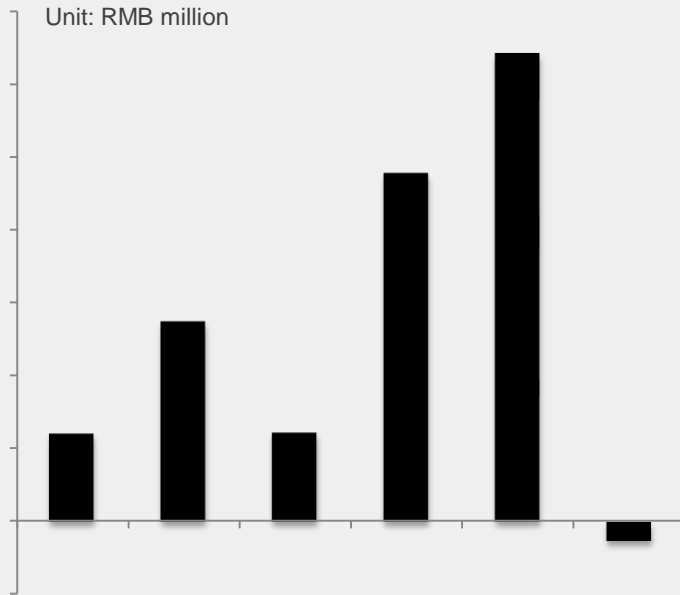




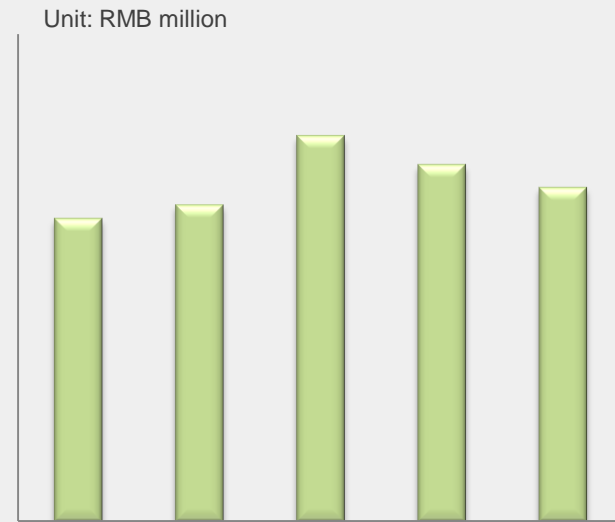
## Cash Flow and Capital Expenditure



### Net Cash Flow from Operating Activities



### Capital Expenditure









## Culture and Brand Concept





## Our Culture



### Core Values

Excellence

Accountability

Innovation

Win-Win





Soul of Brand



## Nourish for Life

It is the provider of healthy food and also the advocator of healthy lifestyle



## DISCLAIMER

" "

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THANK YOU