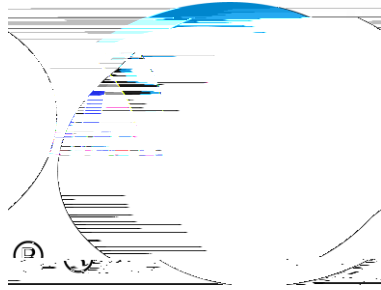


2020

2021

2020 Annual and 2021 1st Quarter Results

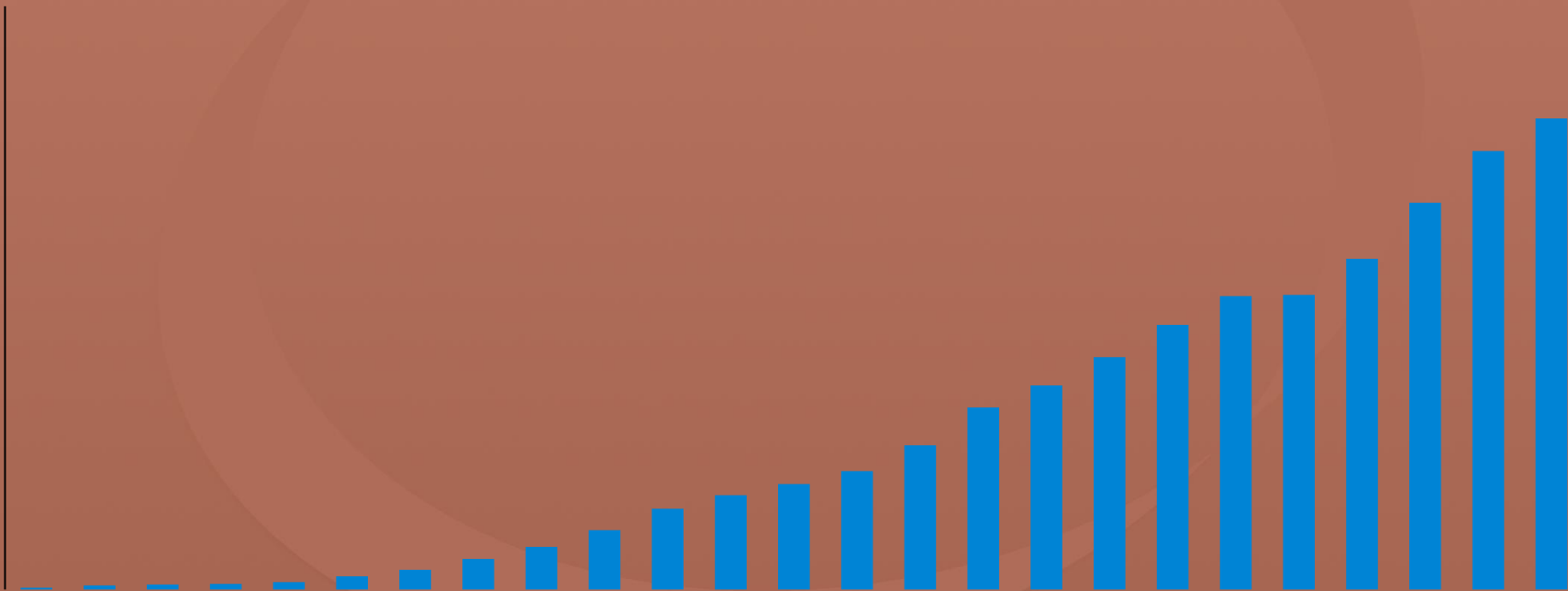


About Yili

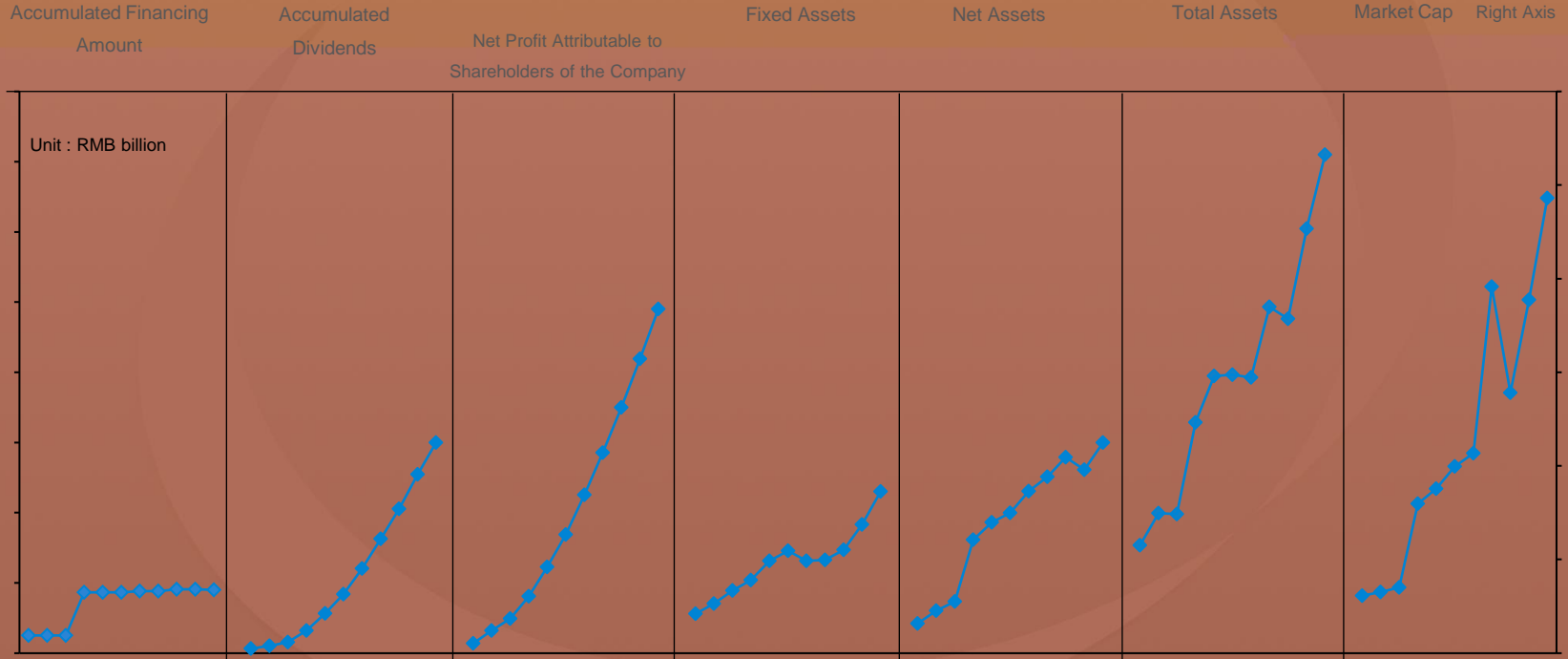




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Shareholder Return



Introduction of Our Leader

Pan Gang, the Chairman and CEO 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



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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, Chairman/CEO of Yili Group



Financial Review

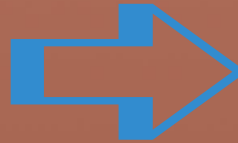
2020 Business Outlook and Results



Business Outlook of 2020

Actual Performance of 2020

970



Financial Highlights



Financial Highlights

RMB(million)						
Revenue	90,223	96,886	7.4%	20,653	27,363	32.5%
Core Business Revenue	89,509	95,345	6.5%	20,456	26,934	31.7%
Gross Profit	33,442	34,505	3.2%	7,646	10,223	33.7%
Gross Profit Margin	37.4%	36.2%	-1.17 pts	37.4%	38.0%	0.58 ppt
Operating Profit	8,280	8,558	3.4%	1,666	3,491	109.6%
Net Profit Attributable to Shareholders of the Company	6,934	7,078	2.1%	1,143	2,831	147.7%
Net Profit Margin	7.7%	7.3%	-0.38 ppt	5.5%	10.4%	4.81 pts
EPS (RMB)	1.15	1.17	1.7%	0.19	0.47	147.4%
ROE	26.4%	25.2%	-1.20 pts	4.3%	8.9%	4.62 pts

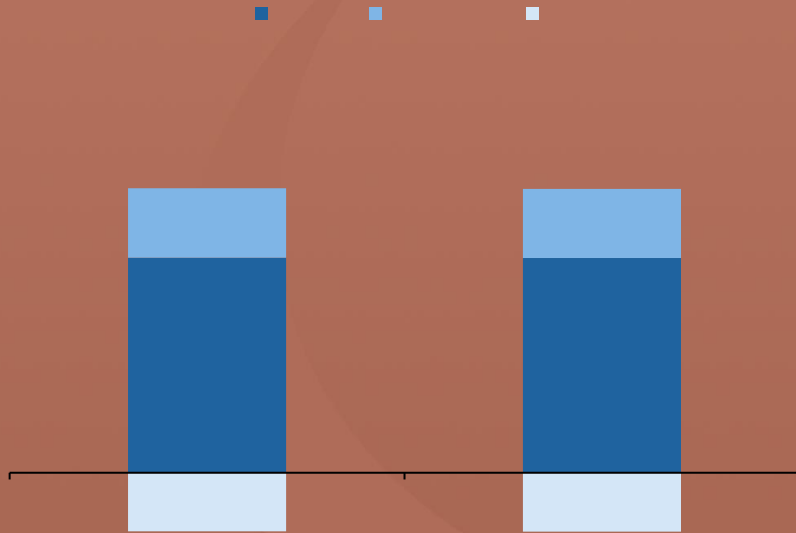
Note : gross profit is calculated from core business revenues

Data source: Company Data

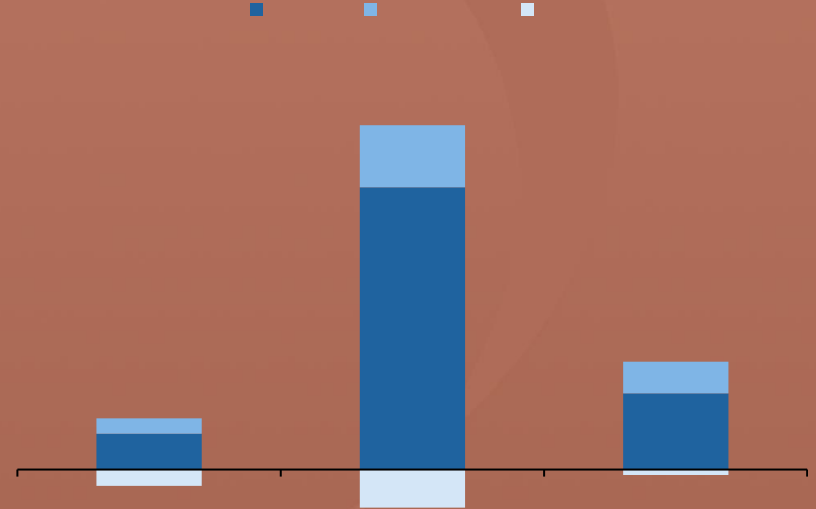
Core Business Revenues Growth Attribution



Revenues Growth Attribution



Revenues Growth Attribution by Segment

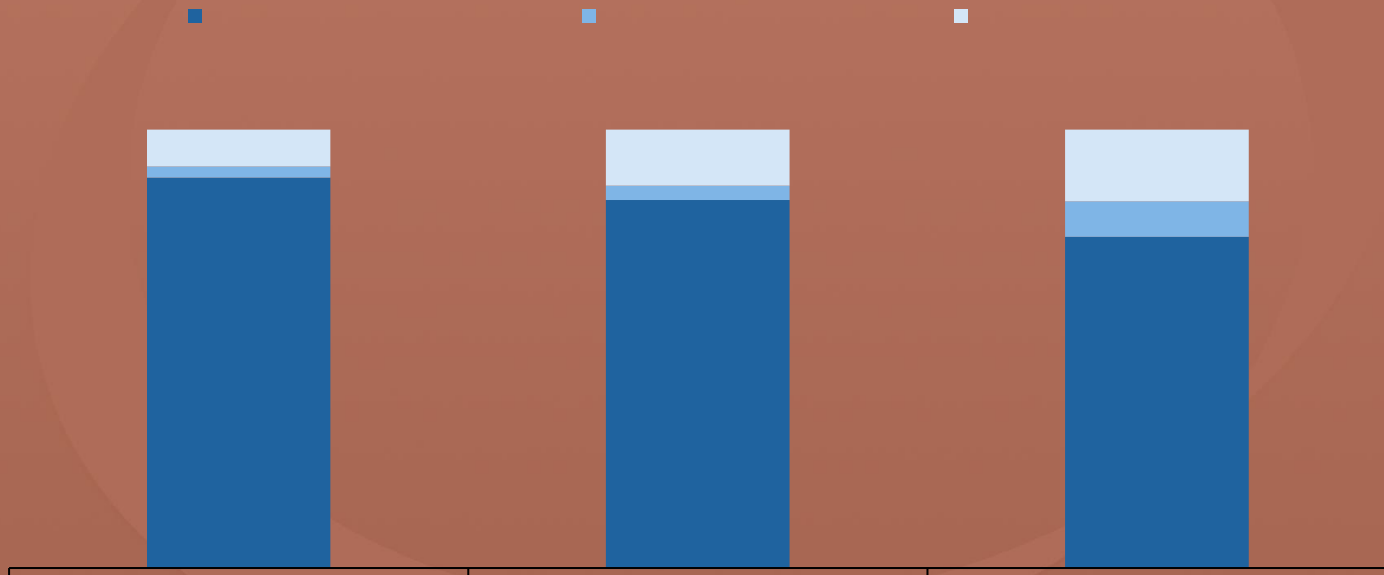


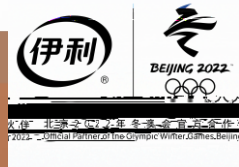


Cost by Segment



Cost by Segment





Market Share of Yili

Ambient Products

38.6% **1.0**
39.2%

The market share of ambient products was 38.6% in 2020, up by 1.0 ppt YoY.

The market share of ambient products was 39.2% in 2021 Q1.

Chilled Products

Note: Market share of infant milk formula in March is not shown due to incomplete statistics

Data source: Nielsen



Gross Margin by Segment

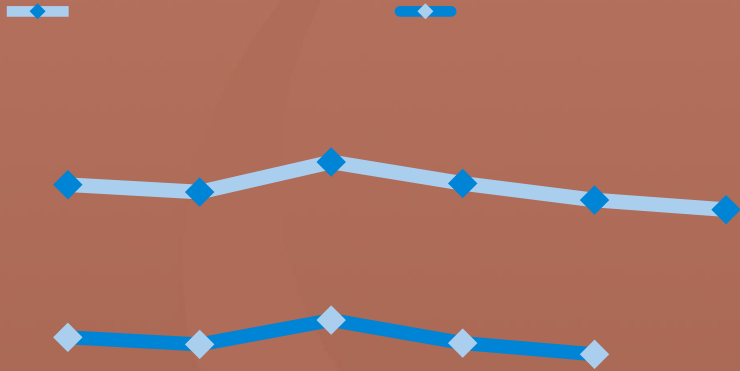


伊利集团 北京2022年冬奥会官方合作伙伴
Yili Group Official Partner of the Olympic Winter Games Beijing 2022

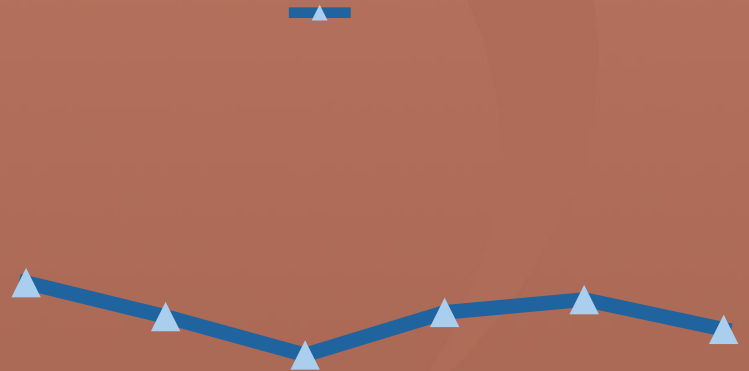
SG&A Expense Ratio



Selling Expense Ratio

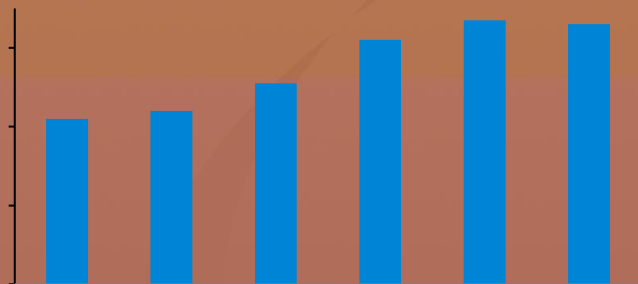


G&A Expense Ratio

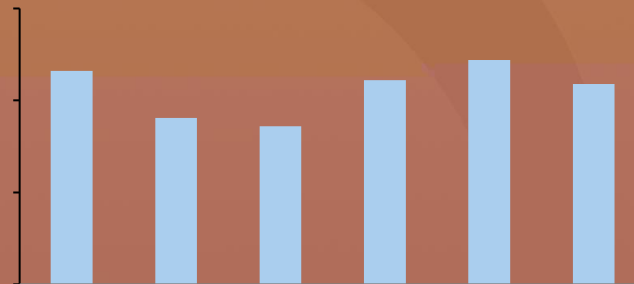


Operating Efficiency

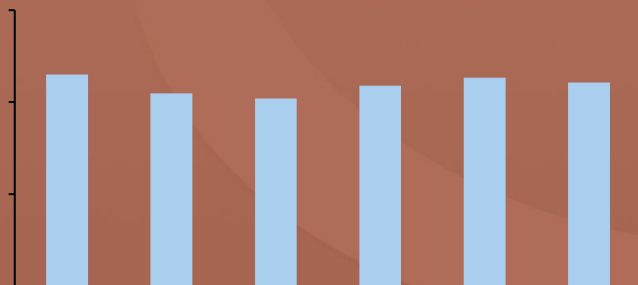
Notes Receivable and Accounts Receivable Turnover (Days)



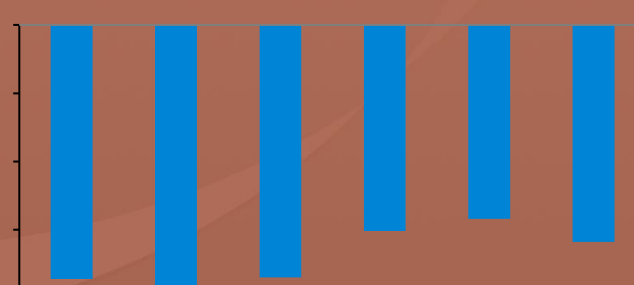
Inventory Turnover (Days)



Notes Payable and Accounts Payable Turnover (Days)



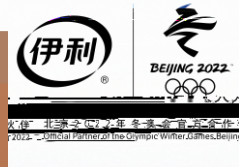
Cash Turnover (Days)





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Dividend Rate





Business Review



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Products

Key & New Products

9.6% 16.0%

Satine, "安慕希", "OATLY", "OATLY", "OATLY", and other key product sales revenue increased by 9.6% YoY. New product sales revenue accounted for 16.0%.

Organic Products

35.1% 50.6%

Organic liquid milk accounted for Retail Market Share of 50.6%, sales revenue up 35.1% YoY, ranking first in corresponding market

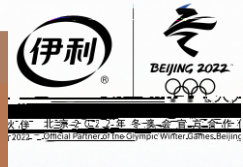
Product Innovation

552 5

By Dec 2020, Yili has accumulatively obtained 3,109 patents, of which 552 were invention authorized patents, and 5 won China Patent Excellence Award.



3,109



Continue to strengthen independent quality



Channel

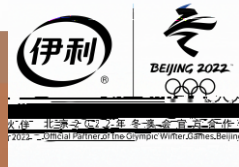
Higher Penetration



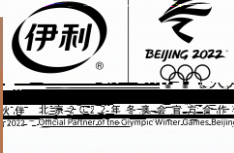
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Industry Chain







As of December 2020, the company faced many challenges due to the pandemic of COVID-19. However, Yili took immediate actions in response, such as providing high-quality products and services to protect the nutrition and health of consumers across the country, carrying out donation and rescue operations, and doing our best to help partners overcome difficulties.



Industry Status and Outlook

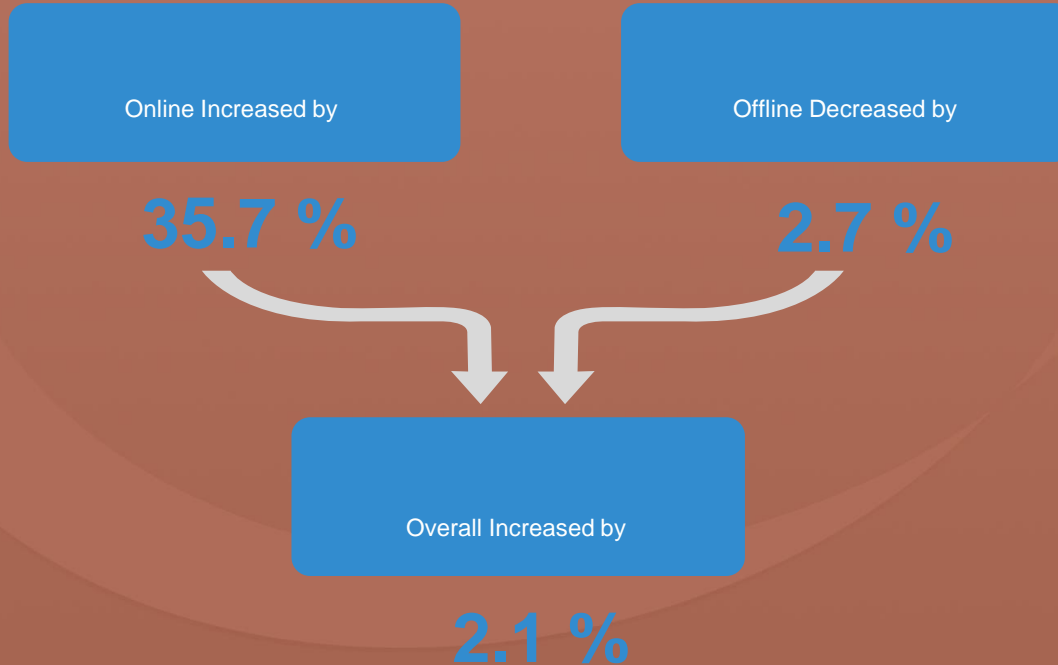
Industry Status



35.7%

2.1%
2.7%

Domestic retail sales of liquid dairy products and milk powder (including online and offline channels) increased by 2.1% YoY. Among them, online channel retail sales of the above products increased by 35.7% YoY, and the offline channel retail sales decreased by 2.7% YoY.



Industry Pattern and Trend



Health Conscious

Consumer purchasing power continues to rise. More consumers are paying attention to their health and lifestyle, hence the promising development of dairy products in healthy food industry.



Expansion of Industry Space

Through the change of residents' consumption consciousness and behavior, the innovative development of new retail channels, such as e-commerce, live commerce, community purchasing and O2O platforms, will boost the expansion of dairy consumer scale and market size.



Consumption Upgrade

There is an increasing trend of consumption upgrade. High-value emerging categories, such as cheese and chilled milk, are growing rapidly.



Demographic Change

Birth rate slows down and aging population structure speeds up. Infant foods continue to drive growth through diversified products, purchasing scenarios and nutrition services innovations; innovation of adult nutrition category accelerates and penetration maintains growing.



Digital Intelligence

The era of "digital intelligence" brings more possibilities for industrial chain upgrade.



Business Outlook

Business Outlook



1070

Total revenues to be
RMB 107 billion



93

Total profit before tax to be
RMB 9.3 billion

2021 Business Outlook

1

Yili will continue to focus on providing customers with high-quality products and services.

2

Boost the pace of product innovation, and continue to actively develop new business in the field of health food.

3

Continue to expand overseas markets, and propel the steady development of global businesses.

4

Accelerate digitization transformation, and improve omni-channel operation capabilities.

5

Accelerate the development of raw milk sources, and improve service capabilities of supply chain.

6

Yili will continue to strengthen cooperation with partners, and achieve win-win cooperation.

7

Yili will continue to adhere to the requirements of the Party and the people, and lay a solid foundation for Yili everlasting cultural foundation.

2021 Business Strategy



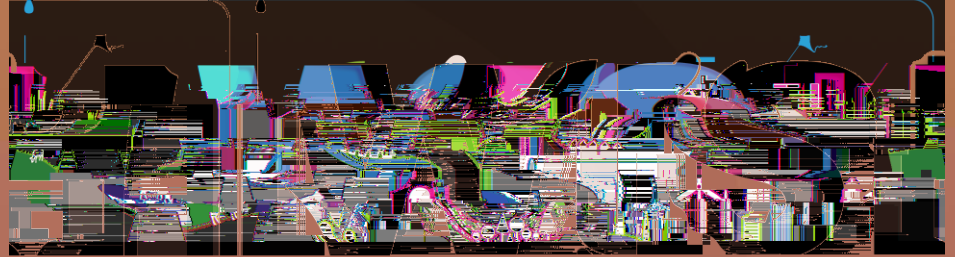
让世界共享健康

Sustainable Development of Yili

'WISH' System for Sustainable Development of Yili



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Sustainable Development in Environment



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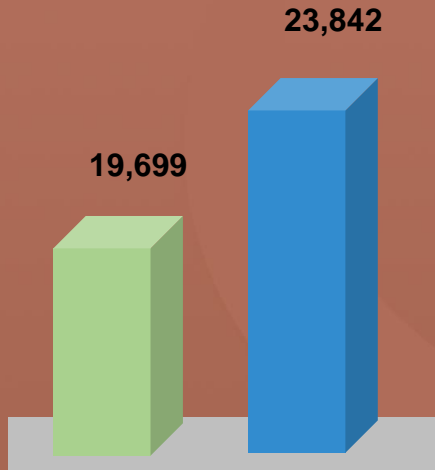
Energy Consumption Reduction

Total Water Savings

Plastic Packaging Savings

Unit : TCE

Unit : ten thousand tons



Sustainable Development in Social Responsibility



2022 伊利集团社会责任报告
2022 Yili Group Social Responsibility Report

No Poverty

Practice

- Yili Nutrition 2020 Targeted Poverty Alleviation Project
- Health Care Poverty Alleviation
- Community Poverty Alleviation

Results

8,400

Accumulated donation of Yili Nutrition 2020 Targeted Poverty Alleviation Project accounted to RMB 84 million

25

Cover 25 provinces

60

Benefit 600 thousand children



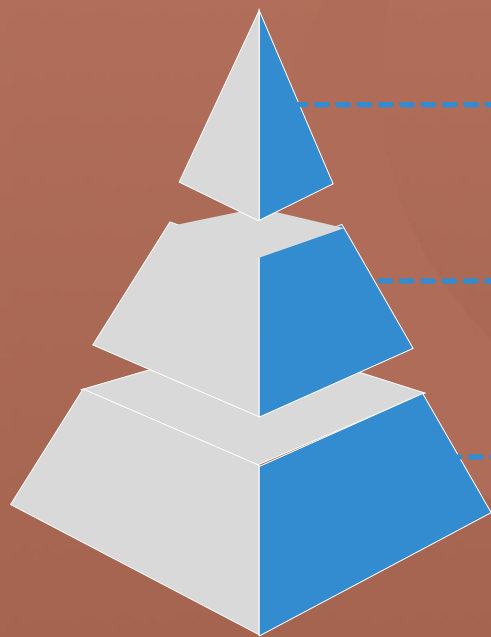
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Sustainable Development in Corporate Governance

Within the report period, Yili improves its construction of modern enterprise system and governance structure, strictly in accordance with Company Law, Governance Standards

Internal Control and Management

Training and Publicity of Anti-Fraud



1st defense line : Front-line business departments

2nd defense line : Relevant functional management departments

3rd defense line : Audit and supervision department

Numbers of sunshine action compliance publicity and implementation activities

Number of trained persons

Numbers of Anti-fraud trainings

Number of trained persons

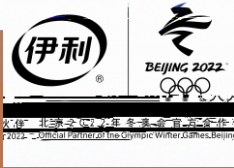
1,184

31,771

2,072

101,030

Rating Improvement in Yili Sustainable Development



According to the MSCI ESG ratings in 2020, Yili was promoted from BB to BBB, which is the highest rating in China's food industry.



In 2020, Yili officially responded to the CDP environmental questionnaire, the gold standard for corporate environmental information transparency, for the first time. The rating results show that many of Yili's indexes have reached or exceeded the average score of food and beverage industry, and the forest questionnaire is one of the highest ratings in mainland China.



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Culture and Brand Management



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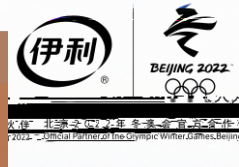


Vision

Becoming the most trusted healthy food provider around the world.



Our Culture





The Spirit of Yili

Ownership mindset

Strong sense of responsibility

Powerful execution capability

Brand Essence



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Nourish for Life

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



