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Yiliâ??s interim results set another new high for the Asian dairy industry

02 September 2021 | News

Yili – Asia’s leading dairy company – released its FY2021 H1 financial report. The company exceeded market expectations with double-digit growth in revenue and net profit, with gross revenue rising 18.89% YoY to reach RMB 56.506 billion, and net profit attributable to the parent company jumping 42.48% YoY to reach RMB 5.322 billion.



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- **Yili's strong financial performance reflects efforts at innovation and improvement of products, distribution channels, and global network.**

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Yili's interim results set another new high for the Asian dairy industry, as the latest data makes Yili the first likely dairy company in Asia to exceed RMB 100 billion in revenue. Strong financial performance in H1 FY2021 also suggests that the company will likely continue to maintain its momentum.

Further market expansion for core products In the first half of 2021, the dairy industry faced significant challenges from global economic and trade instability and rising costs for raw materials. However, Yili exceeded its operation targets for the period by leveraging its competitive advantages across the whole industry value chain.

During the reporting period, Yili's main products continued to exhibit strong growth. For instance, the total sales revenue for Satine, AMBPOMIAL, Changqing, Jinlingguan, and Chocliz increased by 20.7% YoY. In particular, the AMBPOMIAL AMX Zero Sugar yoghurt and AMBPOMIAL 5G-Protein yoghurt series, launched in the second half of 2020, saw rapid growth and great brand development potential. Meanwhile, the sales revenue of new product categories represented by Satine A2?-casein Organic Pure Milk, Yili Zhennong High-calcium Milk, Changqing Tea & Fruit Yogurt, and Cute Star Child Growth Goat Milk accounted for 15.6% of Yili's total revenue and became essential contributors to Yili's performance.

Extending and diversifying product lines During the reporting period, the retail sales of cheese products more than doubled year over year, giving the company a head start in the segment with high growth potential.The company's low-temperature milk business also grew fast, with 5.7% increase in market share.Yili's Jinlingguan series of high-end infant formula, developed with support from nineteen years of breast milk research and high-quality milk sources such as organic and A2 milk, is also widely recognized as a reliable and good-quality product in the market. Nielsen retail data showed the retail sales of infant formulas increased by 35.2% YoY, in which the growth rate of Jinlingguan Zhenhu reached 37% to become the fastest-growing brand in its segment.

In the non-dairy category, Yili's Inikin Yike mineral water also made a breakthrough in sales growth and has mainly been distributed in big cities through e-commerce, O2O home delivery, and other channels. Manufacturing plants for the product are now operating at full capacity.