



# **Introduction of Maeil Dairies**

December 2022



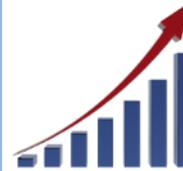
# Key Figures of Maeil Dairies (as of end of '21)



\* FX rate: 1,150 KRW/USD



**53** years of  
History



USD **1.3 bn.**  
Revenue ('21)



**2,079**  
Employees



**7**  
Specialized Factories



Partnership with  
**380** farms



USD **30 mn.**  
Overseas revenue ('21)

# Founder's Philosophy



## Strengthening the Country through Dairy

Bok Yong Kim, Founder of Maeil Dairies Co., Ltd.

**1969**

**Establishment of Korea Dairy Processing Co., Ltd.**  
*(Current Maeil Dairies)*



Launching dairy development business in Korea



Being the first to transport milk cows to Korea via airplane



Being awarded government's industrial medal

# Vision & Mission

## **Mission**

Through continuous development and innovation,  
we bring health, taste, and freshness for everyone's happiness

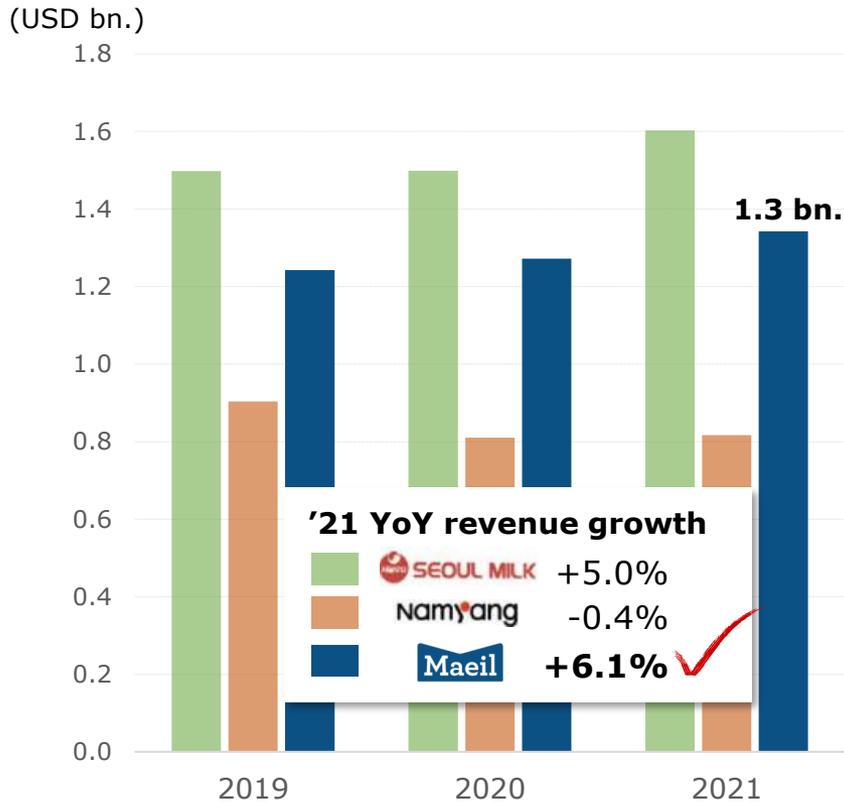
## **Vision**

# **More than Food, Beyond Korea**

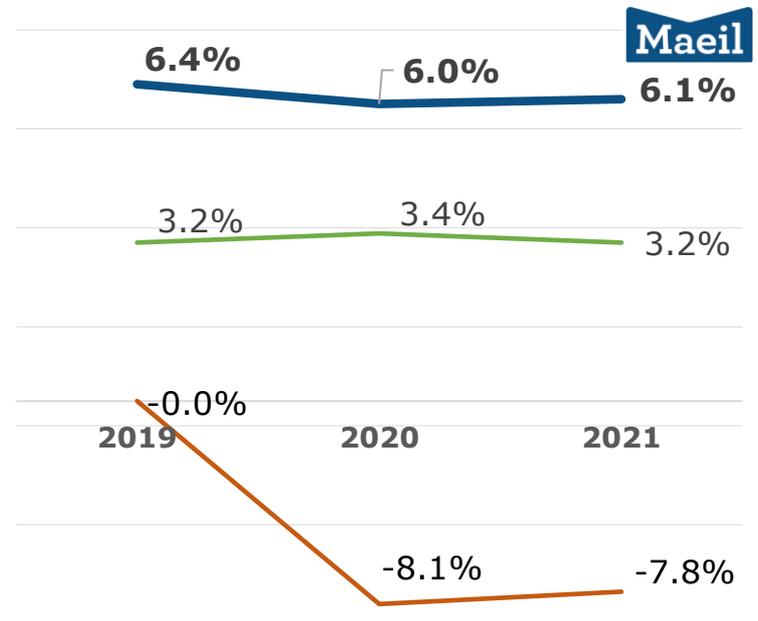
We aim to create new food habits and cultures,  
for the world beyond Korea

## Maeil has shown sustainable and profitable growth

### Major 3 dairy companies' revenue



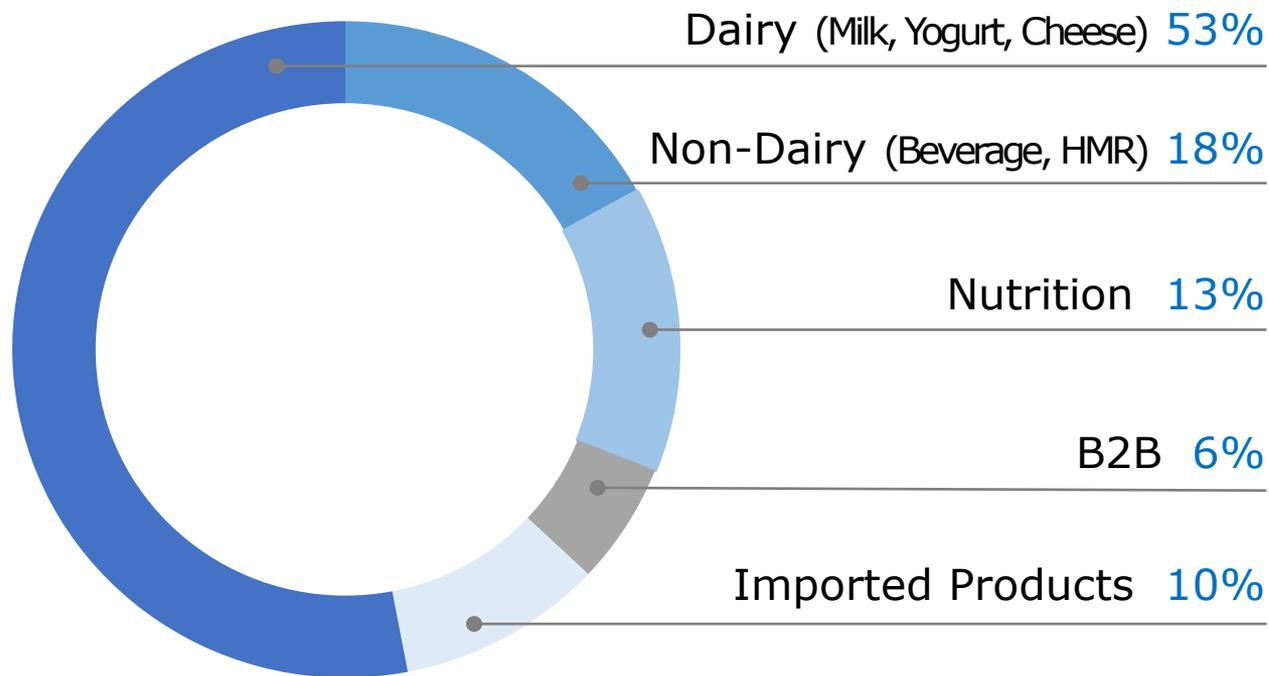
### Operating profit



**Maeil Dairies Bond Rating**  
 (Korea Ratings, NICE Credit Information Services Ratings, KIS)  
**AA-**

# Revenue Composition

**Largest portion of revenue still comes from Dairy,  
However, Beverage and Nutrition follow with high growth**



Maeil Dairies ('21)

# Maeil's Products (1/2)

## Milk

White Milk  
Flavored Milk  
Adult Milk Formula



## Organic/Eco-friendly

White Milk  
Flavored Milk  
Yogurt  
Juice  
Ice Cream/ Ice Juice



## Yogurt

Yogurt



## Cheese

Natural Cheese  
Processed Cheese



# Maeil's Products (2/2)

## Beverages



## Cream & Others



## Nutritional Food



## Prepared Food



## Adult Nutrition



## Imported Products



**Maeil owns market leading brands in each categories, and is able to leverage this point when dealing with retailers**



# Maeil's R&D Center, MIC

**MIC consists of 4 specialized R&D groups and Planning & Packaging team;  
MIC has close to 100 R&D personnel and QA managers**



## Dairy



Milk  
Yogurt  
Cheese  
Cream/Butter

## Beverage



Coffee  
Plant-based  
Juice  
Beverage Base

## Baby Food



Infant Formula  
Special Formula  
Other Baby Food

Human Milk Research

## Health&Nutrition

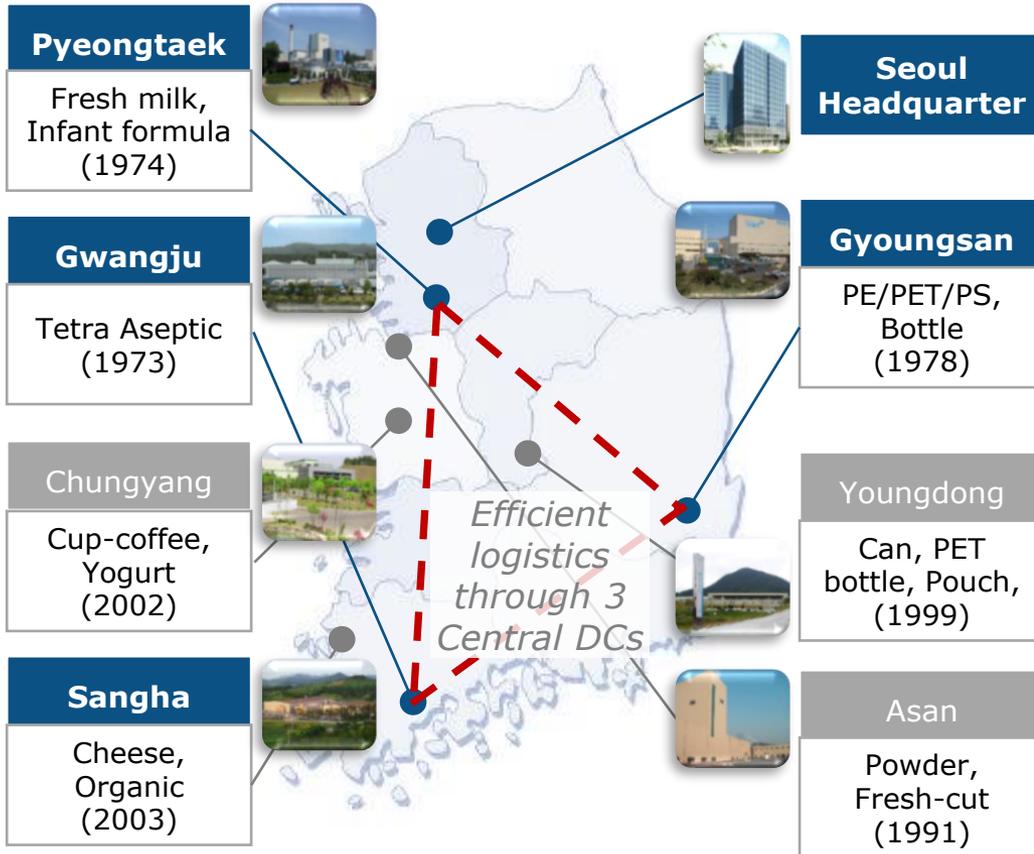
Adult Nutrition  
Sports Nutrition  
Medical Nutrition

Sarcopenia Research



**Maeil operates end-to-end cold-chain system through 7 factories, 3 CDCs, and 7 branch offices across Korea**

## 7 factories



## 7 branch offices



**Acquired ISO 22000 certificate for all factories**

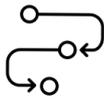
# Production Facilities

**Maeil manages and controls products' quality through strict global and local certificate systems**



## Maeil's Quality and Safety Control Division works closely with MIC on regulation and quality



 Maeil SQS processes

 Interpretation of regulation

 Monitoring safety information

 Overseas registration

 1st & 2nd party audit

 China HACCP / GMP / Organic

 Precision Analysis of Food Safety

## Covering full range of nutrition for infants, children, adults and patients

### 1 Most various types of special infant formulas

Different kinds of special IMF for each types of disorder (ex. Premature infants, allergy, diarrhea)



### 2 Technologies for the full range of metabolic disorders infant formula combined with clinical nutrition research



### 3 Maeil Health Nutrition for adults pursuing well-aging

Nutritious food for active well-aging concerned adults. Developing products high in protein, and essential amino acid.

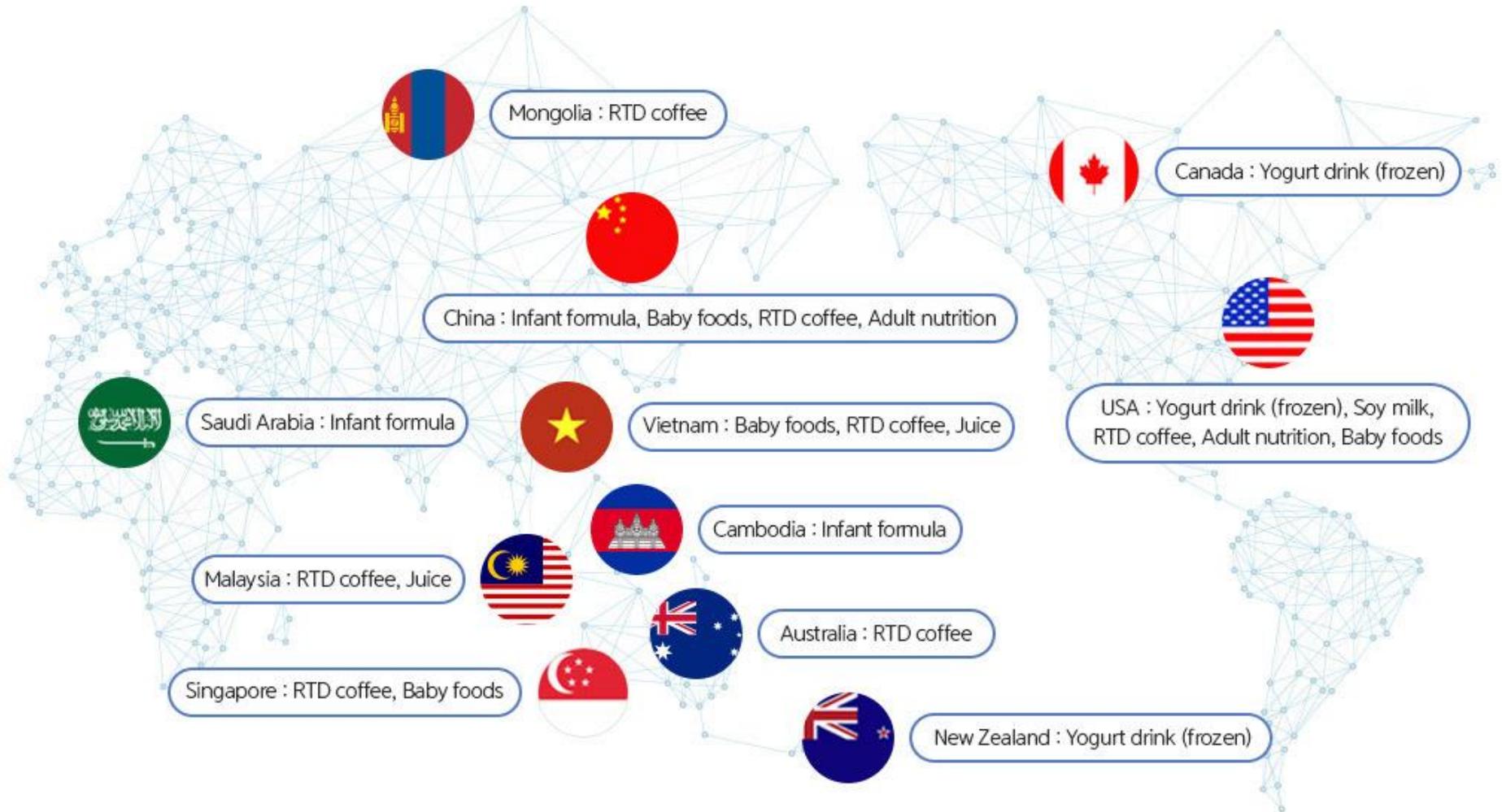


### 4 Medical nutrition technology

Various packaged enteral nutrition products for patients and seniors (including Tetra Pak Ready-to-Hang package and RTH pouches)



**Starting its first export in 1981, Maeil exports its infant formula, special formula, yogurt, coffee, soymilk to 11 countries around the world**



**Maeil is Korea's largest infant formula exporter to China with its own office in Beijing for beverage products**

## Baby Food in China



## Beverages in China

北京每日乳业有限公司  
Beijing Maeil Dairies Co., Ltd.



Infant/Kids/  
Maternal  
formula



Special  
infant  
formula



- First among Korean dairy players to reach USD 50mn export (2015)
- Maeil's infant formula is distributed in baby specialty stores via direct management of a local agent
- Maeil has successfully registered 2 brands of infant formula and 2 SKUs of special formula complying with the new Chinese law (1 special formula SKU under review)
- April 2018, **Maeil opened its own office in Beijing** starting with import and distribution of chilled RTD cup-coffee (currently distributed in nearly 30,000 CVSs in China)
- The exclusive distributor of Almond Breeze (produced in Korea)

# Global Business: Australia Investment



- In December 2020, Maeil Australia, a 100% owned subsidiary of Maeil Dairies, acquired a 70%-completed spray dryer, which was under administration due to COVID-19.
- Key staff of former entity were recruited to internalize their experience in global dairy/nutrition sales and production.
- Through this acquisition, Maeil Australia will be producing **specialty milk powder for global B2B sales**, and also gain access to markets in Oceania, SE Asia, and Middle East.
- It is also expected to create synergy with Maeil Dairies' overseas business.
- **The facility was completed in May 2022 and is now in commissioning stage.**
- Factory address:  
72-76 Cowie Street, North Geelong, AUS
- Size: Land 15,283m<sup>2</sup>, Floor 4,007m<sup>2</sup>
- Certificates: DSFV, DAFF(export), Halal
- Capacity: SMP/WMP 1.5ton/hr, IMF 1ton/hr
- Packaging: 25kg bag, 600kg bulk bag

**Maeil has extensive experience and network with global leading F&B companies**

## Exclusive Distributor

### FERRERO



## Licensee & Manufacturer

### HERSHEY'S



## Strategic Supplier



## Strategic Manufacturing Partner



# Maeil Maeil Holdings



# Maeil Holdings, the Group of Maeil

**Maeil became a holding company structure since 2017:  
Other than Maeil Dairies, there are F&B and Service businesses**

\* FX rate: 1,150 KRW/USD



Consolidated  
revenue  
USD 1.6 bn. ('21)

**Maeil Dairy & Beverage**  
**Maeil Dairies** Revenue USD 1.3 bn. ('21)

## F&B and Service

**PAUL BASSETT**



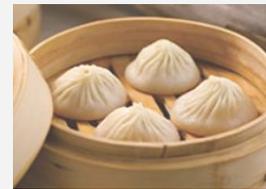
KITCHEN  
**IL FORNO**  
*Bar. Grill. Pizzeria.*



**CRYSTAL JADE**  
A member of Crystal Jade Singapore



 **Sangha Farm**

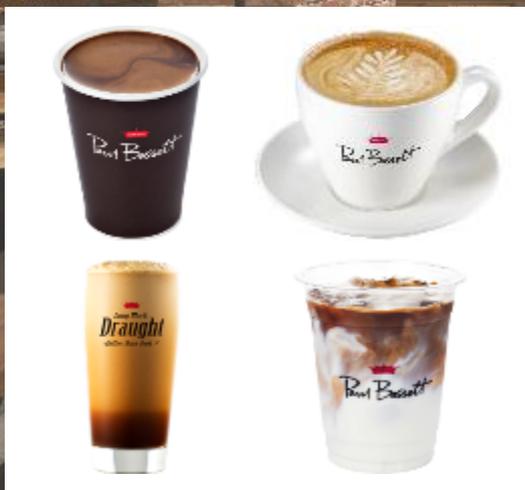


# Café Business <Paul Bassett>

**PAUL BASSETT**

The premium espresso bar under the name of World Barista Championship (Yr 2003) winner, <Paul Bassett>, offers the best quality specialty coffee drinks, prepared with coffee beans sourced from farms worldwide.

2021 revenue of USD 88 mn. from around 111 directly-owned stores all around Korea.

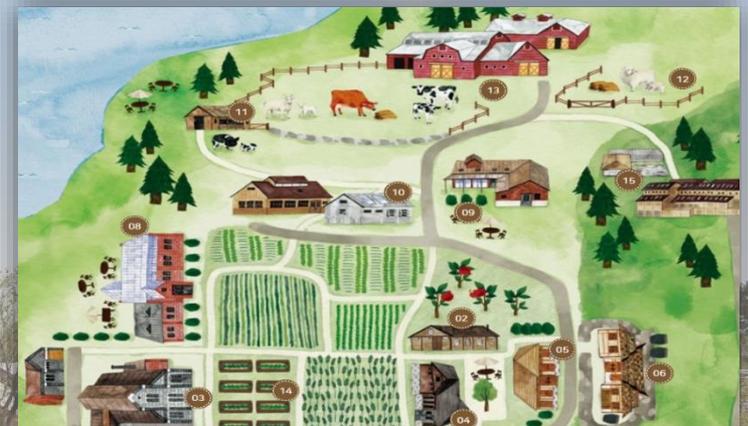


# <Sangha Farm> Park

Video clip of  
<Sangha Farm>



**Agricultural theme park <Sangha Farm> provides authentic experience on credible food by collaborating with farmers and the local region**



## Farming Experience



## Feeding Experience



## Cooking Classes



## On/offline sales of Atelier Products



## Direct sales channel for local farmers



Maeil

## Maeil's Corporate Social Responsibility



**Maeil is one of the few companies in the world to manufacture formulas for ill babies (inborn metabolism errors) and Maeil consistently carries out various CSR activities to reach sustainable growth together with the society**

**Production of Special Formulas for ill babies & children**



**\*Inborn metabolism errors**

It refers to genetic disorders having abnormalities in metabolism with lacking or no generation of enzyme to compose amino acid inherently. Vomiting or respiratory difficulties are developed first and then disorders in the development of movements, growth disorder and even the damage to the brain cells if the dietary management is not provided accordingly.

**Various CSR Activities**



Hosted Pre-Mom School for over 40 years



Free delivery of milk to single seniors  
 "Greeting Milk" won Silver for Cannes Lions  
 2022 Advertising Festival

**Thank you**

