

INDUSTRY OVERVIEW

The information presented in this section, unless otherwise indicated, is derived from various official government publications and other publications and from the market research report prepared by Frost & Sullivan, which was commissioned by us. We believe that the information has been derived from appropriate sources and we have taken reasonable care in extracting and reproducing the information. We have no reason to believe that the information is false or misleading in any material respect or that any fact has been omitted that would render the information false or misleading in any material respect. The information has not been independently verified by us, the Joint Sponsors, [REDACTED], [REDACTED], [REDACTED], [REDACTED] or any of our or their respective directors, officers or representatives or any other person involved in the [REDACTED] nor is any representation given as to its accuracy or completeness. The information and statistics contained in this section may not be consistent with other information and statistics compiled within or outside of China.

REPORT COMMISSIONED FROM FROST & SULLIVAN

We commissioned Frost & Sullivan, an independent market research and consulting company, to conduct an analysis of, and to prepare a report on, the pork industry in the PRC for the period from 2010 to 2020. The report prepared by Frost & Sullivan for us is referred to in this document as the Frost & Sullivan Report. We paid Frost & Sullivan a fee of RMB500,000, which we believe reflects market rates for reports of this type. Founded in 1961, Frost & Sullivan has 40 offices with more than 2,000 industry consultants, market research analysts, technology analysts and economists globally. It conducts industry research among other services. Frost & Sullivan has been covering the Chinese market from its offices in the PRC since the 1990s. Its industry coverage in the PRC includes agriculture, chemicals, materials and food, among others.

We have included certain information from the Frost & Sullivan Report in this document because we believe this information facilitates an understanding of China’s pork industry for the prospective [REDACTED]. The Frost & Sullivan Report includes information on China’s pork industry as well as other economic data, which have been quoted in the document. Frost & Sullivan’s independent research consists of both primary and secondary research obtained from various sources in respect of the PRC pork industry. Primary research involved in-depth interviews with leading industry participants and industry experts. Secondary research involved reviewing company reports, independent research reports and data based on Frost & Sullivan’s own research database. Projected data were obtained from historical data analysis plotted against macroeconomic data with reference to specific industry-related factors. On this basis, our Directors are satisfied that the disclosure of future projections and industry data in this section is not biased or misleading. We believe that the sources of this information are appropriate sources for the information and we have taken reasonable care in extracting and reproducing such information.

INDUSTRY OVERVIEW

Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Frost & Sullivan Report, various official government publications and other publications.

In compiling and preparing the research, Frost & Sullivan assumed that the social, economic and political environments in the relevant markets are likely to remain stable in the forecast period, which ensures the stable and healthy development of the PRC pork market. In addition, Frost & Sullivan has developed its forecast on the following bases and assumptions: China’s economy is likely to maintain stable growth in the next decade and the country’s social, economic and political environment is likely to remain stable in the forecast period. Additionally, per capita disposal income and per capita consumption expenditure of urban households are expected to grow based on the macroeconomic assumptions of the economy. Additional key industry drivers include: (i) improving living standards in China that increase the consumption of animal proteins and corresponding stable growth in consumption of pork; (ii) increasing demand for modern distribution channels that can guarantee the safety and quality of pork products; and (iii) improving technology in the PRC pork industry, especially large-scale farms and slaughtering houses with advanced production technologies and standardized management systems that will gradually replace small-scale competitors.

THE PRC PORK INDUSTRY

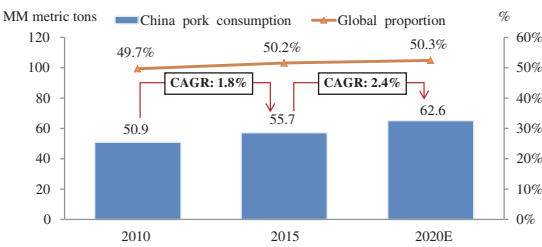
Overview

Driven by consumption growth, rising urbanization and disposable income, the PRC has witnessed an increase of domestic demand and economic growth. According to Frost & Sullivan, the PRC nominal GDP is expected to grow from RMB67.7 trillion in 2015 to RMB92.3 trillion in 2020 at a CAGR of 6.4%. The increase in the middle class and a rise in disposable income have accelerated the influx of people from rural areas into cities, with urbanization rate expected to increase from 56.1% in 2015 to 59.9% in 2020. Additionally, per capita disposable income of urban households is expected to increase from RMB31,200 in 2015 to RMB45,530 in 2020 at a CAGR of 7.9% while per capita consumption expenditure of urban households is projected to grow from RMB21,390 in 2015 to RMB29,920 in 2020 at a CAGR of 6.9%, according to Frost & Sullivan.

China is the largest pork production and consumption market in the world, comprising 49.2% and 50.2% of the global production and consumption markets respectively in 2015. According to Frost & Sullivan, the PRC pork production is expected to experience stable growth at 2.5% CAGR from 54.9 million metric tons in 2015 to 62.2 million metric tons in 2020, while pork consumption is projected to continue to grow at 2.4% CAGR from 55.7 million metric tons in 2015 to 62.6 million metric tons in 2020. On a per capita basis, pork consumption is expected to increase at a CAGR of 1.9% from 40.5 kg in 2015 to 44.4 kg in 2020, according to Frost & Sullivan. Pork is deeply rooted in Chinese culture and diet, and comprised 61.9% of China’s meat consumption in 2015.

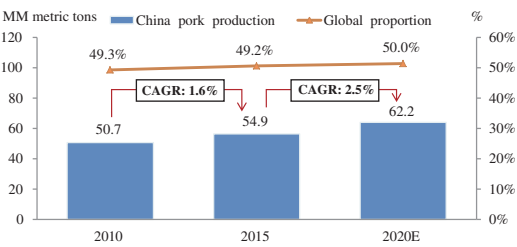
INDUSTRY OVERVIEW

China pork consumption (2010-2020E)



Source: U.S. Department of Agriculture (historical); Frost & Sullivan (projection)

China pork production (2010-2020E)

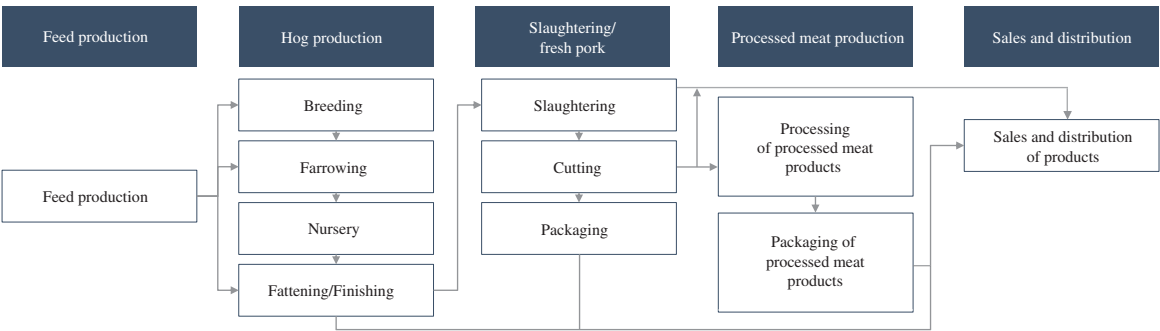


Source: U.S. Department of Agriculture (historical); Frost & Sullivan (projection)

According to Frost & Sullivan, in 2015 only 0.23 million metric tons of PRC pork production was exported as compared to 55.7 million metric tons that was consumed domestically, while China continued to be a net importer of pork, with import volumes of 1.03 million metric tons in the same year.

In recent years, the Chinese hog production market has experienced a shortage in supply due to factors such as stricter enforcement of environmental laws and regulations by the PRC Government. As a result, a large number of hog farms have been closed down in China, causing a decrease in sow supply and a corresponding decrease in hog production. Commensurately, as the industry is consolidating, large-scale hog producers have increased their market share, due to their ability to strengthen supervision and control mechanisms, promote efficient production and sales, manage food safety and comply with changing environmental regulations. For more information please see “—Market Analysis of PRC Pork Industry—Hog Production”.

The PRC Pork Value Chain



The pork industrial value chain can be categorized into five key divisions: feed production, hog production, slaughtering/fresh pork, processed meat production, sales and distribution. According to Frost & Sullivan, vertical integration and scale are key factors to achieve optimal efficiency and ensure quality control over the entire value chain.

INDUSTRY OVERVIEW

Feed production: Feed is categorized into either commercial feed or local feed and contains key raw materials such as corn and soybean meal for hog production. Large-scale hog producers either purchase commercial feed or produce them directly through their own feed mills to reduce feed costs and ensure food safety over the supply chain, with procured ingredients such as corn and soybean. Small-scale and backyard hog producers typically purchase local feed.

Hog production: Hog production starts with the breeding of hogs and continues with farrowing, which is the birth of newborn piglets. Thereafter, piglets are transferred to nursery and fattening farms where they will become finishing hogs and are sent for slaughter. For further details on hog production, its duration and corresponding price cycle, please see “—Market Analysis of PRC Pork Industry—Hog Production.”

Slaughtering/Fresh pork: Hogs are slaughtered in slaughterhouses to produce fresh pork products that are either sold directly or transported as raw materials for further processing of processed meat products. Normally after slaughtering, large-scale slaughterhouses sell half-carcass, chilled or frozen pork cuts while small-scale slaughterhouses sell half-carcass directly.

Processed meat production: Production typically involves processing of fresh pork and a variety of other types of proteins. Processed meat products can be divided into two categories: low-temperature meat product (“LTMP”), and high-temperature meat product (“HTMP”). LTMP products are processed at 72 to 95 degrees celsius and are processed, stored and distributed under low temperatures below 4 degrees celsius with a storage life of 45 to 60 days. HTMP products are processed at 72 to 121 degrees celsius and packed in cans, aluminum foil bags or vacuumed packaging with a storage life of 6 to 12 months and can be stored at room temperature.

Sales and distribution: Sales and distribution of pork products often requires cold storage capabilities in order to transport products such as fresh pork and LTMP. Most commonly used transportation methods for pork products include trains and trucks that can either be self-operated or operated through a third party logistics provider.

Food Safety and Environmental Incidents and Regulations of China

Food safety and environmental incidents

According to Frost & Sullivan, China’s pork industry has experienced several food and environmental incidents historically that have re-shaped consumer awareness and government focus on food quality, safety and environmental regulations in the country:

- In March 2013, it was reported that at least 10,000 dead pigs were found in Shanghai’s Songjiang section of the Huangpu river, which is a drinking water source for more than 20

INDUSTRY OVERVIEW

million residents in Shanghai and other cities. The carcasses were found to have had the porcine circovirus and were allegedly disposed of by farmers in neighboring Jiaying, Zhejiang Province that came from small, backyard farms which had deplorable environmental sanitation standards and high hog mortality rates.

- In recent years, there have been several reports of pork products in China that contained clenbuterol, an illegal chemical that increases lean meat production in hogs, causing ministry-level officials to oversee operations and the recall of thousands of related products.
- In recent years, PRC Government has heightened its concern on livestock production on its key administration list of environmental governance. Since 2014, PRC Government has stepped up enforcement of environmental laws and regulations such as the Environmental Protection Law, the Administrative Measures on the Prevention and Cure of Pollution Caused by Breeding of Livestock and Poultry, the Regulations on the Prevention and Control of Pollution from Large-scale Breeding of Livestock and Poultry and the Action Plan to Control Water Pollution which has led to either reconstruction or closing down a large number of small-scale hog producers in the country. For example, over 13,000 hog farms in Fujian Province have been closed and dismantled in the second half of 2015 and approximately 70,000 hog farms were closed down in Zhejiang Province by the end of September 2014.

Bio-security, food safety and environmental factors of production are important considerations to the hog industry in China. Due to food safety and environmental incidents such as the aforementioned, there is increased food safety awareness in China and PRC Government has become stricter in enforcing food safety and environmental related regulations. Hence, there is an increased barrier to entry into the hog production and slaughtering markets across China. For more details on food safety and environmental regulations, please refer to “Regulatory Overview” section.

MARKET ANALYSIS OF PRC PORK INDUSTRY

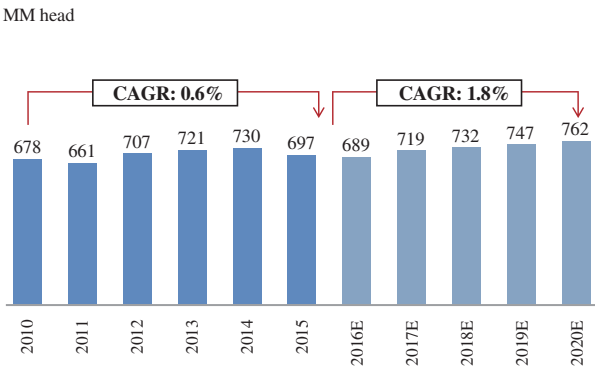
Hog Production

China’s hog production grew at a relatively low CAGR of 0.6% from 677.80 million head in 2010 to 696.60 million head in 2015 largely due to an abnormally low production period in 2015. The low production can be attributed to factors such as the increase in production from 2011 to 2014, corresponding decrease in average hog prices, decreasing sow stock since 2014, as well as increasing food safety and environmental regulations, which have led to the exit of many small-scale hog producers and the subsequent increase in market share of large-scale hog producers — a trend seen in more mature hog markets such as the United States. Comparatively, China’s hog production volume grew at a CAGR of 1.9% from 2010 to 2014. According to Frost & Sullivan, China’s hog production is expected to maintain stable growth going forward at a CAGR of 1.8% from 696.60 million head in 2015 to 761.63 million head in 2020.

INDUSTRY OVERVIEW

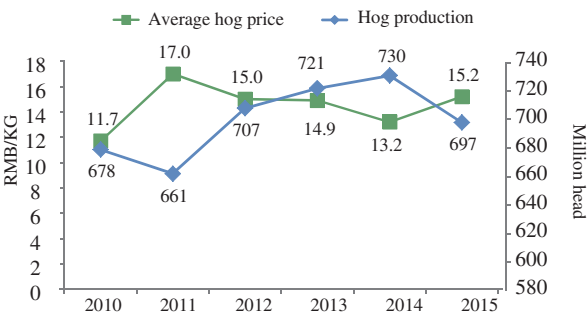
In 2011, an outbreak of the Porcine Epidemic Diarrhea virus (“PED”) depleted hog production volume to a low of 660.62 million head that caused hog price to rise to as high as RMB19.68 per kg in September of that year. The high average hog price in turn caused the hog production industry to increase production volume, reaching 729.93 million head by 2014 which caused average hog price for the year to decrease to RMB13.19 per kg. As a result of the decreasing price environment, hog production decreased substantially with the reduction of sow stock to 38 million head in 2015 from a high of approximately 50 million head in 2012. Furthermore, the effect on hog production in 2015 was further magnified by stricter implementation of environmental and food safety regulations, which forced a large number of hog farms to close and contributed to the decrease in production.

China hog production volume (2010-2020E)



Source: U.S. Department of Agriculture (historical);
Frost & Sullivan (projection)

China hog production and prices (2010-2015)

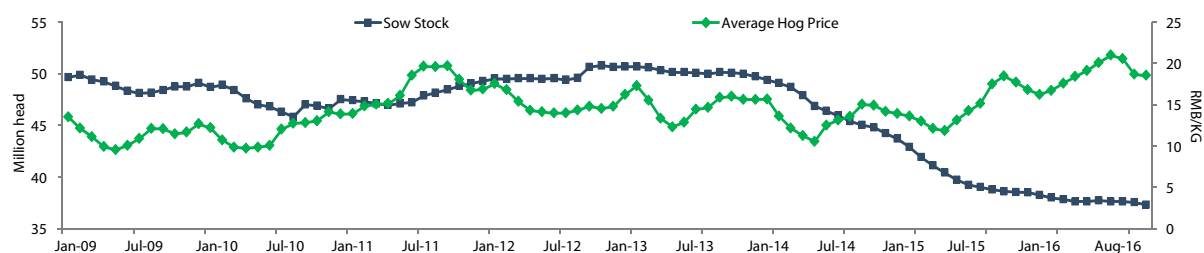


Source: U.S. Department of Agriculture (hog production);
China Animal Agriculture Association
(average hog price)

While hog prices are also driven by corn and other feed costs in the long term, hog supply fluctuation is a key driver for hog prices in the short to medium-term. China’s pork cycle dynamics have historically shown that hog producers increase production when hog prices are high and consequently decrease production when prices are low. Additionally, hog price fluctuations are exacerbated by the time lags in changes in production and fragmentation of the industry. As price increases, the majority of hog producers increase production simultaneously and cause prices to come down. In recent years, however, as average hog price has increased, sow supply and corresponding hog production volume have continued to decrease due to factors such as stricter enforcement of environmental regulations. For example, sow stock has fallen from approximately 46.9 million head in April 2014 to 37.3 million head in August 2016, while average hog price has continued to increase from RMB10.5 per kg to RMB18.5 per kg for the same time period.

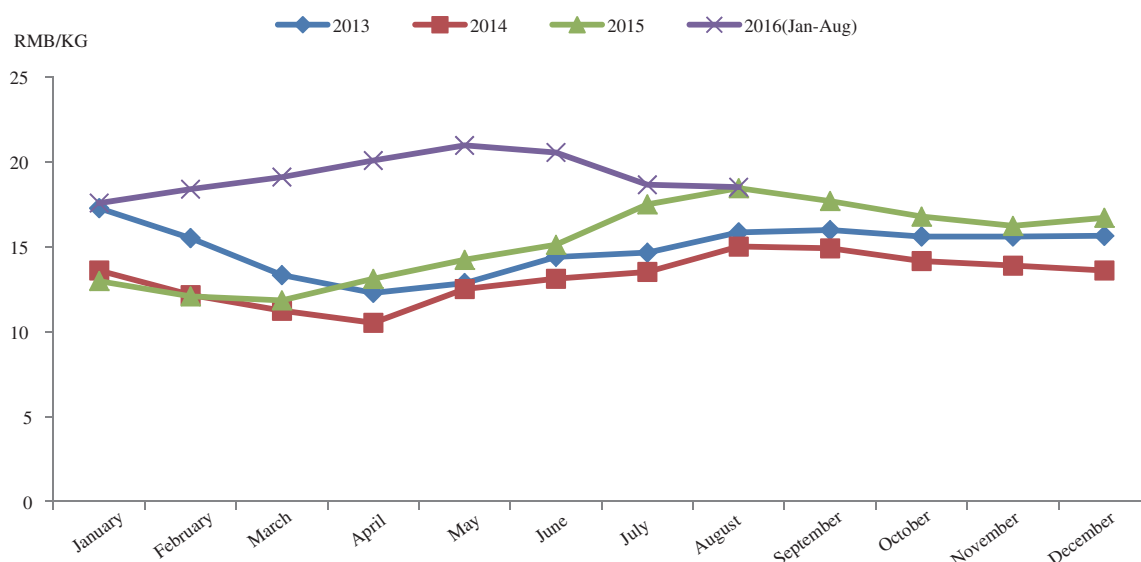
INDUSTRY OVERVIEW

China parent sow stock supply and average hog price (2009-August 2016)



Source: China Animal Agriculture Association

China's monthly average live hog price (2013-August 2016)



Source: China Animal Agriculture Association

China's hog prices move cyclically over periods of years. Fluctuations in hog prices were significant in recent years, with the average annual domestic live hog price in China decreasing from RMB14.9 per kg in 2013 (with a high end of RMB17.3 per kg in January and a low end of RMB12.3 per kg in April) to RMB13.2 per kg in 2014 (with a high end of RMB15.0 per kg in August and a low end of RMB 10.5 per kg in April), and increasing to RMB15.2 per kg in 2015 (with a high end of RMB18.5 per kg in August and a low end of RMB11.8 per kg in March). The average live hog price in China increased further in 2016 to RMB20.1 per kg in April 2016, but decreased to RMB18.5 per kg in August 2016.

Hog production depends on existing parent sow supply that produces new piglets which eventually go on to become finishing hogs. Following existing grandparent sows' gestation period of

INDUSTRY OVERVIEW

around four months, it normally takes another eight months for a piglet to turn into a parent sow. After increasing parent sow stock, it takes approximately 10 months to translate into an increase in finishing hog production. As such, with low parent sow stock in August 2016, it will likely take approximately 22 months in total for parent sow supply and corresponding finishing hog production to increase. Additionally, stricter enforcement of food safety and environmental regulations has limited the growth of existing hog producers and has paved the exit of a large number of small-scale hog producers. Hence, according to Frost & Sullivan, China’s hog production volume is expected to remain at current level over the next 12 to 24 months, which is likely to continue to support average hog prices from falling significantly below August 2016 levels.

The hog-to-corn price ratio has been used as a profitability indicator for Chinese pork producers, whereby a higher ratio indicates higher profitability. According to Frost & Sullivan, as corn comprised 56% to 62% of hog production’s feed costs over the past 5 years ending in 2015, feed costs have historically been correlated with corn prices. Since 2006, although there have been fluctuations in the hog-to-corn price ratio due to the pork cycle, both the overall and the intra-cycle average hog-to-corn price ratios have been approximately 6.6x and negatively correlated with corn prices.

Additionally, there is a significant gap between domestic and international corn prices due to Chinese government subsidies. Corn prices have increased in the past 10 years largely due to PRC Government’s stockpiling initiatives of domestic corn inventory in order to benefit domestic farmers. However, in March 2016, PRC Government announced its termination of the stockpiling policy, gradually releasing its ownership of approximately 50% of the global corn inventory through the open market. According to Frost & Sullivan, corn prices are expected to decline amidst increasing supply based on a price of RMB2.08 per kg in August 2016, which in turn is expected to increase the hog to corn price ratio amidst a rising average hog price environment.

Hog prices in various provinces of China

Province	Nursery hog				Large finishing hog			
	As of December 31,			As of April 30,	As of December 31,			As of April 30,
	2013	2014	2015	2016	2013	2014	2015	2016
	(RMB/kg)							
Hubei	28.44	20.20	38.43	63.62	14.52	13.03	16.64	20.73
Jiangsu	18.33	18.80	34.00	43.25	15.13	13.40	17.00	20.57
Tianjin	27.17	23.17	25.00	64.83	15.09	13.18	16.70	20.72
Jilin	19.33	13.00	34.00	69.00	14.17	12.63	17.40	20.77
Inner Mongolia ¹	23.94	17.55	34.88	64.30	15.04	12.98	16.75	20.90
Hebei	19.56	16.81	30.50	69.09	14.78	12.95	16.51	20.73
National average	23.94	17.55	34.88	64.30	15.04	12.98	16.75	20.90

Source: 中國種豬信息網 <http://chinaswine.org.cn/>;
Frost & Sullivan

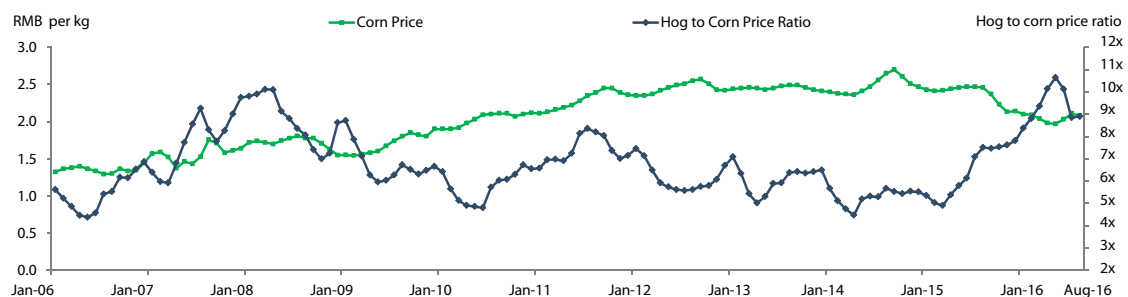
Note:

- There is no market price for Inner Mongolia from chinaswine.org.cn, and therefore national average has been adopted as proxy for the purpose of market price cross-check from this database.

INDUSTRY OVERVIEW

According to Frost & Sullivan, hog prices vary among different regions in China. A primary reason for this is the variance in feed prices among different regions. Corn is one of the primary feeds used in China’s hog industry and it is mainly produced in China’s northern area, which leads to the corn price being generally lower in northern China. For example, the average corn price in Guangxi Province, which is located in southern China, during the last week of 2015 was RMB2.35 per kg, compared with RMB1.70 per kg in Heilongjiang Province, which is located in northern China, during the same period, according to 中國種豬信息網 (<http://chinaswine.org.cn>). Another reason is that different regions of China have different labor costs; for example, the average wages in primary industry in 2014 in Jiangsu Province were RMB33,060, compared with RMB21,156 in Hubei Province, according to China’s National Bureau of Statistics. In addition, regions with relatively higher temperatures can have higher hog transportation costs as a result of needs for air-conditioning facilities and potentially higher culling of hogs during transportation, and disease can affect regional hog supply, which also contributes to the regional price differences.

Monthly corn price and hog to corn price ratio (2006-August 2016)

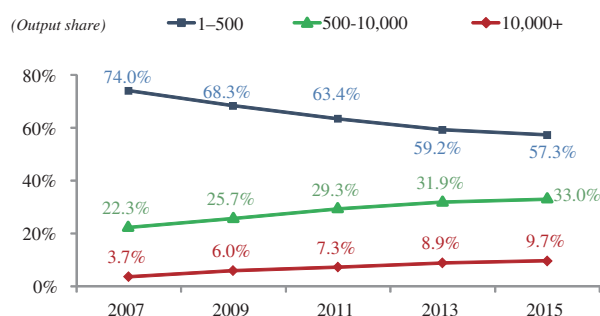


Source: China Animal Agriculture Association (hog price); The Ministry of Agriculture (corn price)

While sub-scale independent farms with less than 500 head still dominate the hog production market at 57.3% market share in 2015, larger farms with more than 10,000 head capacity have accelerated their expansion on the back of industry modernization and enhanced food and environmental safety regulations introduced by PRC Government, increasing its market share from 3.7% in 2007 to 9.7% in 2015. In contrast, the market share of farms with more than 10,000 head capacity in the U.S. was at 75.0% as of 2012. Furthermore, the market share of PRC hog producers with less than 500 head capacity has decreased from 74.0% in 2007 to 57.3% in 2015, while U.S. farms with similar capacities have further decreased their market shares from 12.0% in 1998 to 3.0% in 2012. With rising urbanization, increasing Chinese population’s income and corresponding rise in labor cost, smaller hog producers will eventually not be able to cover labor costs. Most importantly, stricter implementation of food safety and environmental regulations have not only caused the exit of many small-scale hog producers, but also constrained the expansion of large hog producers and contributed to the record sow supply shortage in China. Therefore, the structural shortage of sow supply will not reverse as quickly as in previous cycles, according to Frost & Sullivan. Furthermore, similar to the historical trend in the US market, China’s hog production market’s fragmentation will eventually dissipate to make room for more established, large-scale producers.

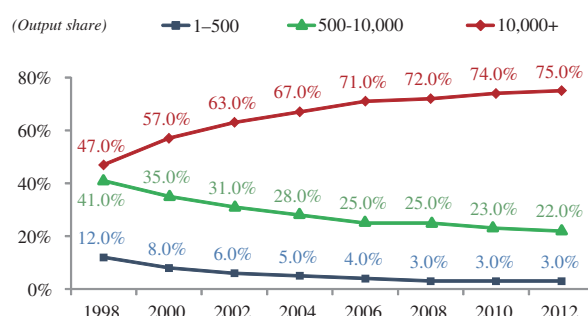
INDUSTRY OVERVIEW

Output contributed by each scale of hog farms in China (2007-2015)



Source: PRC Ministry of Agriculture

Output contributed by each scale of hog farms in US (1998-2012)



Source: U.S. Department of Agriculture

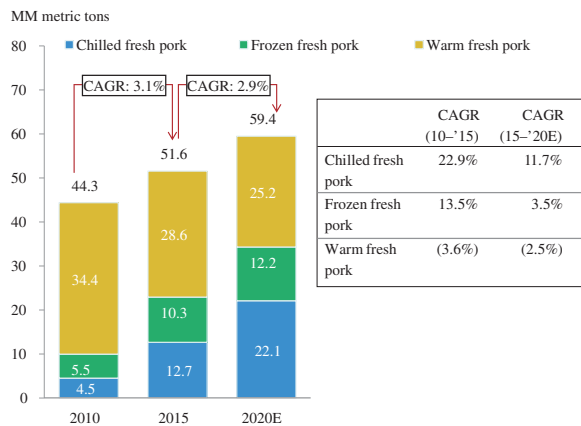
Slaughtering/Fresh Pork

The PRC fresh pork consumption market is expected to experience stable growth at a CAGR of 2.9% from 51.6 million metric tons in 2015 to 59.4 million metric tons in 2020, according to Frost & Sullivan. Fresh pork comprises of three key categories, with warm fresh pork historically dominating consumption with a volume of 28.6 million metric tons in 2015, compared to chilled fresh pork and frozen pork with consumption volumes of 12.7 million metric tons and 10.3 million metric tons respectively in the same year. However, given heightened consumer awareness over food safety and quality, there is an increase in demand for chilled fresh pork and a decrease in demand for warm fresh pork. Chilled fresh pork consumption increased from 4.5 million metric tons in 2010 to 12.7 million metric tons in 2015 at a CAGR of 22.9%, which according to Frost & Sullivan, will continue to grow to 22.1 million metric tons in 2020 at a CAGR of 11.7%.

Given the lower shelf lives of both warm fresh pork and chilled fresh pork and corresponding transportation limitations, producers of such products must locate slaughterhouses in vicinity of its distributors or end-customers. On the other hand, frozen fresh pork has longer shelf lives and is thus a large part of the imported meats business in China.

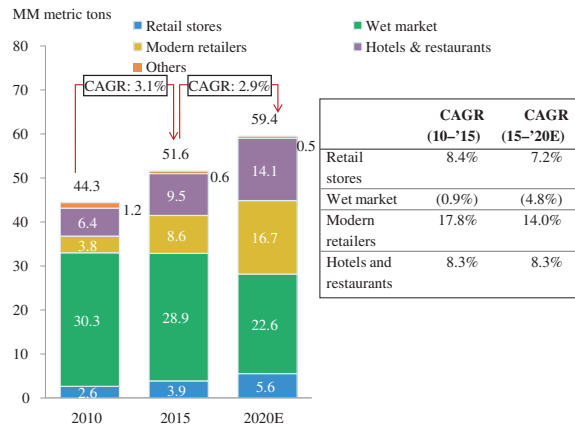
INDUSTRY OVERVIEW

China fresh pork consumption volume breakdown by category (2010-2020E)



Source: U.S. Department of Agriculture (historical);
Frost & Sullivan (projection)

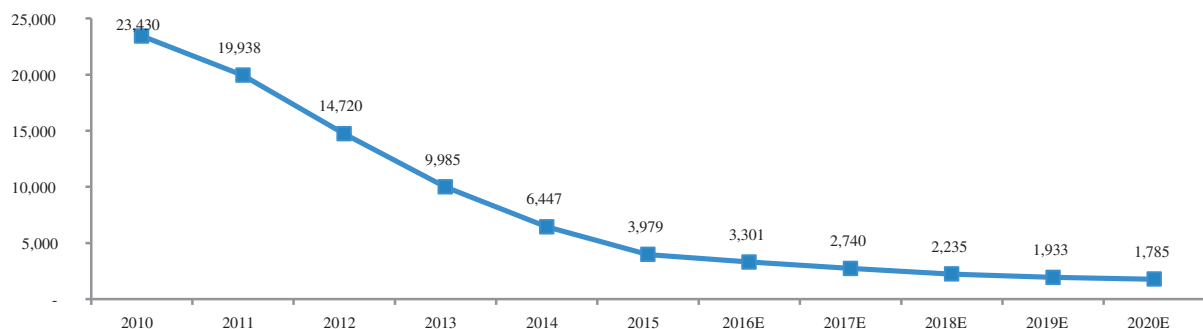
China fresh pork consumption volume breakdown by channels (2010-2020E)



Source: U.S. Department of Agriculture (historical);
Frost & Sullivan (projection)

Fresh pork in China is sold and distributed through a variety of key channels including wet markets, modern retailers (supermarkets and hypermarkets), hotels and restaurants, and retail stores (grocery stores and branded chain stores). Historically, wet markets, where warm fresh pork is largely sold, have played a dominant role, distributing 28.9 million metric tons of a total of 51.6 million metric tons of fresh pork in 2015. However, due to heightened food safety concerns, in addition to rapid urbanization, the rise of the middle class and growing importance of convenience for the average Chinese consumer, sales of fresh pork products such as chilled fresh pork and frozen fresh pork sold through sales channels including modern retailers and hotels and restaurants are poised for higher growth. It is expected that products sold through modern retailers will grow at a CAGR of 14.0% from 8.6 million metric tons in 2015 to 16.7 million metric tons in 2020, while those sold through hotels and restaurants will grow at a CAGR of 8.3% from 9.5 million metric tons in 2015 to 14.1 million metric tons in 2020.

Decreasing number of licensed slaughtering houses (China), 2010-2020E



Source: National Bureau of Statistics of China (historical);
Frost & Sullivan (projection)

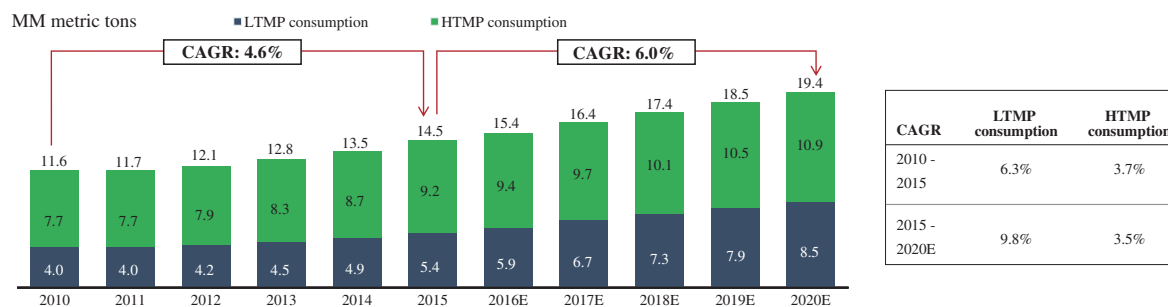
INDUSTRY OVERVIEW

According to the Outline of Development Plan of the National Hog Slaughter Industry (2010-2015), PRC Government has adopted a policy of reducing slaughtering houses to promote concentration in the slaughter industry, strengthening supervision and management, and promoting efficient production and distribution. According to Frost & Sullivan, the number of slaughterhouses is expected to decrease to approximately 1,785 by 2020. As China’s Ministry of Agriculture continues to promote the reorganization of substandard slaughterhouses in 2016, large-scale designated slaughterhouses are expected to have broader market prospects in the fresh pork business going forward.

Processed Meat

Processed meat consumption in China has experienced stable growth at a CAGR of 4.6% from 2010 to 2015, and is expected to grow at a CAGR of 6.0% from 14.5 million metric tons in 2015 to 19.4 million metric tons in 2020 on the back of increased disposable income, the expansion of the middle class population and its corresponding more westernized dietary habits. Processed meat products can be divided into two key categories: LTMP which includes hams, sausages and bacon, as well as HTMP which includes ham sausage and canned pork. With increasing modernization and urbanization across China, demand for western-influenced LTMP products such as bacon and ham will lead the growth going forward, with a CAGR of 9.8% from 5.4 million metric tons in 2015 to 8.5 million metric tons in 2020.

Processed meat products consumption breakdown by LTMP & HTMP (China), 2010-2020E



Source: U.S. Department of Agriculture;
Frost & Sullivan

COMPETITIVE LANDSCAPE

While China is the world’s largest hog production market, the market is highly fragmented with approximately 47 million producers of various sizes and scale, with the top five hog producers taking a combined share of approximately 3.6% in 2015. Recently, PRC Government has made food and

INDUSTRY OVERVIEW

environmental safety and quality a top policy priority and has continued to adopt and enforce more stringent industry standards for hog production. This will likely benefit large-scale hog producers who uphold these requirements at the expense of small-scale backyard producers who have continued to exit the market in recent years and contributed to the sow supply shortage.

China hog production market by production volume of finishing hogs (2015)

Ranking	Company	Production volume (MM head)	Market share
1	Company A	15.4	2.6%
2	Company B	1.8	0.3%
3	Company C	1.7	0.3%
4	The Group	1.0	0.2%
5	Company D	1.0	0.2%
Top 5.		20.8	3.6%
Total		583.0	100.0%

Source: Frost & Sullivan

China’s fresh pork market is equally fragmented, with a large proportion of individual producers and processors. The top ten fresh pork players had a combined market share of 5.1%. However, as can be seen through the decreasing number of licensed slaughterhouses in China, heightened food safety concerns and scrutiny by consumers and regulators have benefited large-scale players to expand and have caused small-scale players to exit the market due to higher operating standards and associated costs. The processed meat production market is slightly less fragmented, with the top ten operators comprising of approximately 15.6% of the total market.

INDUSTRY OVERVIEW

China fresh pork market by sales revenue (2015)

Ranking	Company	Sales revenue	Market share
		(RMB bn)	
1	Company A	24.4	1.9%
2	Company B	14.9	1.2%
3	Company C	6.5	0.5%
4	Company D	6.0	0.5%
5	Company E	3.6	0.3%
6	Company F	2.7	0.2%
7	Company G	2.3	0.2%
8	The Group	2.0	0.2%
9	Company H	1.4	0.1%
10	Company I	0.9	0.1%
Top 10 .		64.5	5.1%
Total . .		1,272.4	100.0%

Source: Frost & Sullivan

China processed meat market by sales revenue (2015)

Ranking	Company	Sales revenue	Market share
		(RMB bn)	
1	Company A	22.6	8.5%
2	Company B	6.2	2.3%
3	Company C	4.3	1.6%
4	Company D	2.8	1.0%
5	Company E	2.5	0.9%
6	Company F	2.0	0.8%
7	Company G	0.5	0.2%
8	Company H	0.3	0.1%
9	The Group	0.3	0.1%
10	Company I	0.2	0.1%
Top 10 .		42.0	15.6%
Total . .		267.4	100.0%

Source: Frost & Sullivan

The Chinese meat import market (beef, pork, lamb and chicken) also displays a degree of fragmentation, with the top five players comprising 14.5% of the market.

China meat import market by import volume (2015)

Ranking	Company	Import volume ⁽¹⁾	Market share
		(Thousand Metric Tons)	
1	Company A	137.0	5.0%
2	The Group	86.0	3.2%
3	Company B	60.4	2.2%
4	Company C	55.9	2.1%
5	Company D	55.0	2.0%
Top 5.		394.2	14.5%
Total		2,725.1	100.0%

Source: Frost & Sullivan

Note: (1) Import volume based on customs clearance basis; meat includes only beef, pork, lamb and poultry (both meat and offals)