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ANALYSIS OF THE GLOBAL CONFECTIONERY MARKET

Overview of the Global Confectionery Market

Confectionery, including sugar confectionery and chocolate, as globally long-established categories of sweet food products in the global food system, have combined essential physiological needs and profound socio-cultural attributes. With universal consumer recognition and a solid demand foundation, it has evolved into a core fast-moving consumer goods segment in the global consumer market with a mature scale and prominent resilience.

From the perspective of the core value of the category, it possesses irreplaceable dual attributes. At the physiological level, the preference for sweet foods is innate to humans. Confectionery products are the economical and efficient source of basic energy supply for the human body, which can be quickly absorbed to meet the basic metabolic needs of the brain and muscles. Meanwhile, with their portability advantage, confectionery products can adapt to the needs of instant energy replenishment in diverse scenarios. At the socio-cultural level, confectionery has long transcended the scope of ordinary food products and become a core carrier of emotional comfort, social connection and cultural rituals. It serves as a universal medium for expressing emotions and sentiments, and celebrating special occasions.

Global confectionery consumption is driven by both high-frequency daily consumption and concentrated demand during festive occasions. In daily consumptions, confectionery products are deeply embedded in modern fast-paced lifestyle, covering diverse scenarios such as energy replenishment during daily commutes, emotional healing for stress relief, and social sharing at gatherings with family and friends. Meanwhile, confectionery products have been increasingly tailored to meet the differentiated needs of consumers of all age groups, establishing a high-frequency and stable foundation for daily consumption. In festive consumption scenarios, confectionery is deeply bound to festivals and important life ceremonies across all regions of the world. Chinese New Year, Valentine's Day, Easter, Halloween, Christmas, wedding celebrations, and other important festivals and ceremonies create consumption peaks, driving solid support for the continuous expansion of the industry.

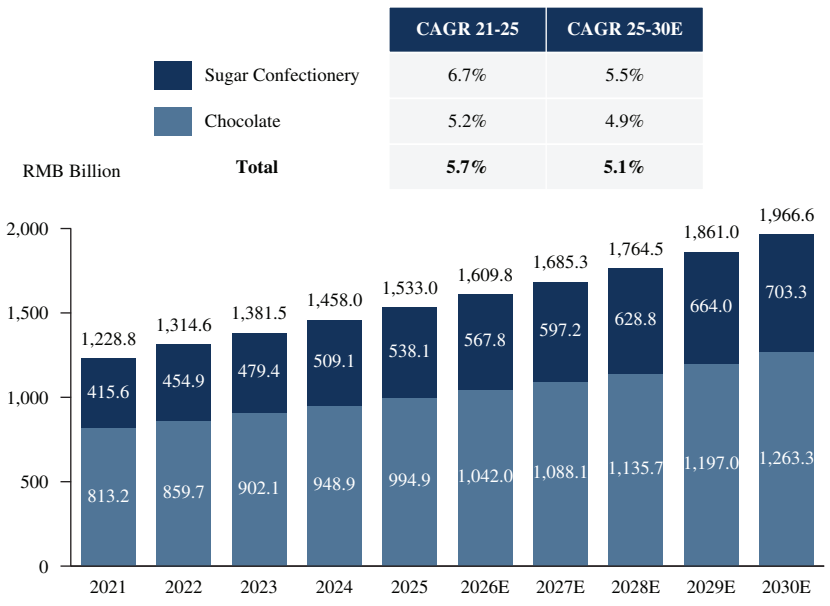
Confectionery products have continued to innovate in product forms, formulas and production processes, targeting to elevate consumers' experience across multiple sensory dimensions including taste, visual appeal, aroma, texture and sound, while continuously broadening consumption scenarios. The global confectionery industry is undergoing long-term in-depth development towards both fun-oriented and nutritional directions. Fun-oriented sugar confectionery products feature innovative shapes, while nutritional products focus on the addition of nutritional ingredients, the homology of medicine and food, as well as sugar-reduced and low-sugar formulas, to create more better-for-you confectionery products.

Global Confectionery Market Size

The global confectionery market has maintained a steady growth trajectory. In terms of retail sales value, the global confectionery market size increased from approximately RMB1,228.8 billion in 2021 to approximately RMB1,533.0 billion in 2025. Within this market, the sugar confectionery and chocolate segments reached RMB538.1 billion and RMB994.9 billion in 2025, respectively, with CAGR of 6.7% and 5.2% from 2021 to 2025, respectively. The growth of the chocolate market during the historical period was primarily driven by the recovery of offline festive consumption scenarios, the structural upgrade of high-end products, and the continuous penetration of distribution channels in emerging markets. Looking ahead, as the growth space in mature markets narrows, the overall growth trend of the chocolate market is expected to moderate, creating an urgent need for innovative products and brands to drive expansion. In contrast, sugar confectionery has outpaced chocolate in terms of growth rate. This outperformance is primarily driven by greater product innovation, which enables sugar confectionery to meet global consumers' demands for novel product formats and healthier ingredients, with gummies serving as the core growth engine. In addition, the continued penetration of omnichannel sales and distribution networks, along with the expansion of diverse consumption scenarios such as daily snacking and festive gifting, has further driven the expansion of the global sugar confectionery market.

The global confectionery market is expected to reach RMB1,966.6 billion by 2030, of which the sugar confectionery segment is projected to account for approximately RMB703.3 billion, representing a CAGR of 5.5% from 2025 to 2030. Going forward, the confectionery market is expected to sustain steady growth, supported by continued expansion in consumer demand, ongoing product innovation, and further extension of distribution channels and consumption occasions.

Confectionery Market Size (In Terms of Retail Sales Value, by Product Categories), Global, 2021-2030E



Source: Fine Chocolate Industry Association (FCIA), National Confectioners Association (NCA), Frost & Sullivan

As one of the key markets in the global confectionery industry, North America's confectionery market will grow from RMB342.0 billion in 2025 to RMB427.5 billion by 2030 in terms of retail sales value, representing a CAGR of 4.6% over the period. Besides, Europe's confectionery market will grow from RMB550.3 billion in 2025 to RMB702.6 billion by 2030 in terms of retail sales value, representing a CAGR of 5.0% over the period. China's confectionery market shows an increasing trend as well, which is expected to grow from RMB100.7 billion in 2025 to RMB125.7 billion by 2030 in terms of retail sales value, representing a CAGR of 4.5% over the period.

Analysis of Global Confectionery Consumption Level

The global per capita consumption of confectionery products exhibits pronounced regional disparities, with differences closely linked to local dietaries and consumer purchasing power. In 2025, per capita confectionery consumption in North America, Oceania and Europe reached 10.0 kg, 9.7 kg and 8.6 kg, respectively, significantly exceeding the global average of 3.1 kg. In those developed markets, confectionery products are deeply integrated into multiple consumption scenarios, including daily snacking, festive occasions, and gifting, resulting in stable demand. These markets have entered a phase of stock-driven optimization, with growth primarily driven by structural upgrades toward premium and health-oriented products. In China, per capita confectionery consumption reached 2.3 kg in 2025, slightly below the global average. The primary growth potential is attributable to continuing upgrades toward healthier and more creative product offerings, which are expected to unlock further per capita consumption potential and, supported by a large population base, contribute to a sizable incremental market.

In addition, per capita confectionery consumption in Latin America was broadly in line with the global average in 2025. The growth momentum of the confectionery market in this region is mainly derived from a young demographic structure, ongoing urbanization, the expansion of the middle class, and the continued penetration of modern retail channels. Per capita confectionery consumption in less developed regions in Asia, such as Southeast Asia, is below the global average. Confectionery consumption in these regions remains largely concentrated in festive occasions, while daily penetration is relatively limited constrained by lower per capita income levels.

ANALYSIS OF THE GLOBAL SUGAR CONFECTIONERY MARKET

Overview of the Global Sugar Confectionery Market

Sugar confectionery refers to sweet solid or semi-solid food products that use saccharides including sucrose, glucose syrup, high fructose corn syrup as the main raw materials, usually supplemented by auxiliary ingredients such as fruit juice, dairy products, nuts and seeds, fruit and vegetable components, edible colloids, and compliant food additives. These products are manufactured through standardized or specialized processing techniques including boiling, formulation, mixing, molding, and packaging.

As a classic fast-moving consumer good with emotional attributes, social attributes and universal consumption applicability, sugar confectionery has a long industry development history, with a mature and complete global and domestic industrial system. It has strong consumption resilience and low economic cyclicality characteristics. After years of market evolution and successive waves of consumer upgrading, the confectionery category has progressed beyond basic sensory enjoyment, and has increasingly diversified into development pathways centered on health orientation, nutritional benefits, personalization, and scenario-based consumption. It is deeply integrated into the consumption scenarios of global consumers including daily leisure, festival gifting and mood regulation. It is both a leisure food category with extremely high penetration in daily mass consumption, and an important consumption carrier bearing sense of festive ritual, emotional expression and collective cultural memory.

Global Sugar Confectionery Market Size

Driven by the deepening health-focused dietary trend, continuous improvement of consumption power in emerging markets, and iterative product innovation, the global sugar confectionery market is developing steadily in a healthier and more diversified direction. In terms of retail sales value, the global sugar confectionery market grew from RMB415.6 billion in 2021 to RMB538.1 billion in 2025, representing a CAGR of 6.7% over the period. It is projected to grow at a CAGR of 5.5% to reach RMB703.3 billion by 2030. Affected by core factors including consumption power, regional dietary culture, policy and regulatory standards, and retail channel structure, regional markets show significant differences in growth trajectories and development characteristics.

North America: In 2025, the North American sugar confectionery market grew from RMB107.3 billion in 2021 to RMB141.5 billion, representing a CAGR of 7.2% over the period. It is projected to grow at a CAGR of 5.6% to reach RMB185.5 billion by 2030. As the world's leading mature sugar confectionery market, it has a solid demand foundation. Traditional festivals generate stable demand, and the penetration rate of confectionery in daily leisure scenarios is among the highest globally. The region has a mature and densely covered network of offline supermarkets and convenience stores, with steadily expanding scale of new offline retail formats including membership-based warehouse supermarkets and discount retailers with snack categories forming an in-depth multi-channel distribution landscape.

Europe: In 2025, the European sugar confectionery market grew from RMB121.4 billion in 2021 to RMB157.8 billion, representing a CAGR of 6.8% over the period. It is projected to grow at a CAGR of 5.2% to reach RMB202.9 billion by 2030, making it the largest regional sugar confectionery market globally. The region has a long history of confectionery consumption and a mature market landscape, with the world's leading food regulatory standards. Clean label and sustainable production have become core market access requirements. Mature markets in Western Europe form the core support for stable regional demand, while emerging markets in Eastern Europe provide the main growth momentum. The regional distribution network is centered on chain supermarkets and community convenience stores, with a significantly higher share of specialty confectionery stores than other regions globally. Future growth will focus on health-focused iteration of traditional categories and sustainable upgrading of supply chains.

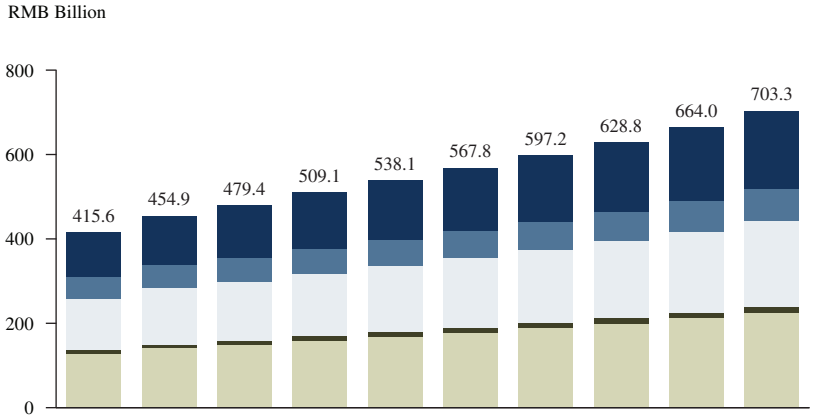
China: In 2025, China's sugar confectionery market grew from RMB51.1 billion in 2021 to RMB60.8 billion, representing a CAGR of 4.5% over the period. It is projected to grow at a CAGR of 4.7% to reach RMB76.4 billion by 2030. As one of the core consumer markets in Asia, the Chinese market faced growth pressure on traditional high-sugar and homogeneous categories in the early stage due to the impact of the health-focused consumption trend. Through systematic structural optimization including low-sugar and nutritional product iterations, consumption scenario expansion from low-frequency festive occasions to high-frequency daily consumption, and omni-channel distribution system upgrade, the market has addressed the core supply-demand mismatches and has entered a phase of recovery. On the channel side, the region has the world's leading online e-commerce penetration rate, with new retail channels including live streaming e-commerce, interest-based e-commerce and snack collection stores have become core carriers for brands to achieve breakthrough growth and expand into lower-tier markets. Offline traditional mom-and-pop stores and wholesale channels still hold the core share of lower-tier markets. In addition, membership-based supermarkets, discount snack stores, chain convenience stores and regional supermarket networks continue to deepen their layout, while instant retail has closed the online and offline fulfillment loop.

Oceania: In 2025, the Oceania sugar confectionery market grew from RMB8.1 billion in 2021 to RMB10.6 billion, representing a CAGR of 6.9% over the period. It is projected to grow at a CAGR of 5.4% to reach RMB13.7 billion by 2030. As a lucratively mature confectionery market, it has a stable market size and a high level of consumption maturity. The region has a deeply rooted health-focused dietary concept and strict food regulatory standards, with consumers having some of the world's highest requirements for clean labels, natural ingredients and sustainable production. Nutritional candies and sugar-free organic candies are the core growth drivers of the market, while traditional festivals and daily leisure consumption form a stable demand foundation. The region has a mature omnichannel operation system, and will achieve steady growth in the future relying on innovation in health-focused product categories.

In addition, other regions in Asia recorded a sugar confectionery market size of RMB83.3 billion in 2025 and are projected to reach RMB114.0 billion by 2030, with Southeast Asia and South Asia as core incremental markets and rapidly rising penetration of modern supermarkets and e-commerce. Latin America, the Middle East and Africa recorded market sizes of RMB49.9 billion and RMB34.2 billion respectively in 2025, and are projected to reach RMB65.5 billion and RMB45.2 billion respectively by 2030. Both serve as key incremental sources of growth in emerging markets. Among them, Latin America has entered the consumption upgrade stage, the Middle East has prominent festive gifting attributes, while Africa is still in the early stage of industry development with broad space for channel and category upgrading.

Overall, the regional divergence characteristics of the global sugar confectionery market will continue to be prominent. Mature markets take structural upgrading towards health, high-end and nutritional products as the core development trend, while emerging markets achieve growth both in volume and price driven by demographic dividends, consumption upgrading and channel penetration. Together, these market dynamics jointly underpin the industry's long-term steady growth trajectory.

Sugar Confectionery Market Size, (In Terms of Retail Sales Value, by Regions), Global, 2021-2030E



	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	CAGR (21-25)	CAGR (25-30E)
North America	107.3	118.0	124.9	133.3	141.5	149.4	157.3	165.7	175.1	185.5	7.2%	5.6%
China	51.1	54.8	56.5	58.8	60.8	63.7	66.5	69.4	72.7	76.4	4.5%	4.7%
Europe	121.4	133.0	140.3	149.1	157.8	166.0	174.0	182.6	192.2	202.9	6.8%	5.2%
Oceania	8.1	8.9	9.4	10.0	10.6	11.1	11.7	12.3	13.0	13.7	6.9%	5.4%
Other Regions	127.8	140.3	148.3	158.0	167.4	177.6	187.8	198.8	211.0	224.7	7.0%	6.1%
Total	**415.6**	**454.9**	**479.4**	**509.1**	**538.1**	**567.8**	**597.2**	**628.8**	**664.0**	**703.3**	**6.7%**	**5.5%**

Source: National Confectioners Association (NCA), Frost & Sullivan

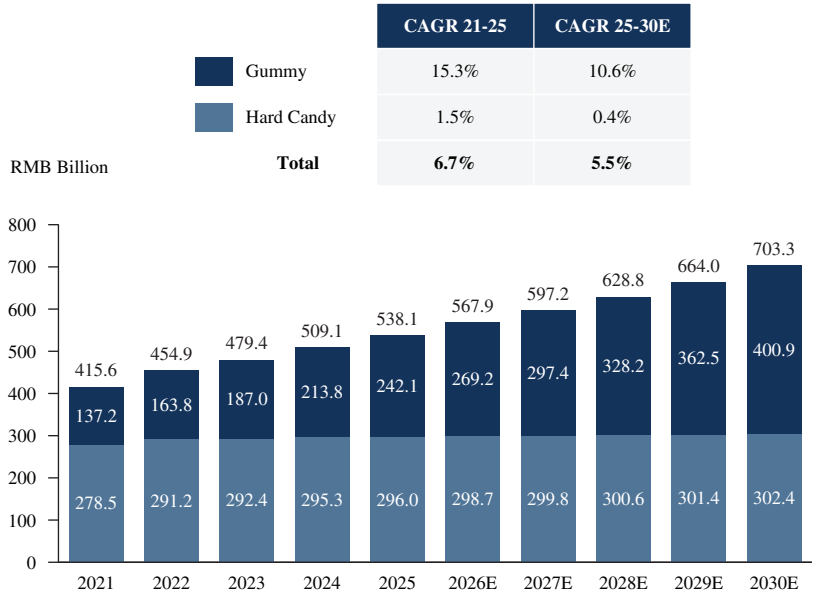
In terms of texture of sugar confectionery, hard candies currently dominate the market with a larger share of the total size. However, gummies have become the main driver of market growth with a higher growth rate, gradually capturing market share from traditional hard candies. In 2025, the global gummy market reached approximately RMB242.1 billion, with a CAGR of 15.3% between 2021 and 2025. It is projected to grow at a 2025-2030 CAGR of 10.6% to reach RMB400.9 billion by 2030, a growth rate significantly higher than the 0.4% CAGR of the hard candy market during the same period.

The significantly faster growth of the gummy segment stems from its precise alignment with the core development trends of the global confectionery industry. Among diverse sugar confectionery segments, gummy's differentiated competitive advantages enables it to contain in-depth coverage of all consumer groups and scenarios.

In terms of taste and form innovation, gummies rely on the gel molding process characteristics, and can achieve diversified textures including elasticity, softness, popping, sandwich and flowing core through innovative technologies such as precision temperature-controlled gelation and 3D printing. This completely breaks through the single crisp and hard taste limitation of traditional hard candies. Meanwhile, gummies can be flexibly designed into interesting, scenario-based and customized shapes, balancing sensory experience and novel consumption demand while breaking the category form boundary of traditional hard candies. This makes them more adaptable to the mainstream youth-oriented and personalized consumption trends in the global market.

In terms of product formulation and health-focused upgrading, the low-temperature gel molding production process for gummies can retain the activity of nutritional ingredients including probiotics, vitamins and plant extracts to the maximum extent, compared with the traditional high-temperature boiling process for hard candies. It is also easier to implement low-sugar or sugar-free formulas, natural raw materials and plant-based gel systems, fully capturing the development dividends of global nutritional confectionery, and building core product competitiveness that is difficult for traditional hard candies to replicate. Gummies normally conduct a higher average retail sales price, with higher overall gross profit margin of than that of traditional hard candies. The higher profitability further drives enterprises to increase R&D investment, forming a positive feedback loop for category growth. Meanwhile, gummies impose higher requirements on enterprises in terms of raw material cost control and supply chain system management. Besides, the product characteristics of gummies give them strong localization adaptability. They can quickly complete product innovation combined with characteristic ingredients and flavor preferences of different regions, helping brands achieve the coordination of global layout and localized operation, and further opening up the long-term growth space of the global market.

Sugar Confectionery Market Size (In Terms of Retail Sales Value, by Texture), Global, 2021-2030E



Source: National Confectioners Association (NCA), Frost & Sullivan

Drivers of the Global Sugar Confectionery Market

Young Generation Driving Demand Iteration: Young consumer groups have become the core consumption force of the global sugar confectionery market. This group is no longer satisfied with the single sweet attribute of traditional confectionery, and exhibits stronger demands for novel experience, social attribute and emotional value of products. Demand from young consumers promotes creative upgrading of confectionery products, supports the high-end development of the category, and makes consumers willing to pay a higher premium for differentiated products. This drives the optimization of industry structure and the continuous expansion of the market.

Rising Health Consumption Awareness: Through nutritional innovation, sugar confectionery products provide supplementation of nutritional elements while satisfying consumers' taste pleasure, aligning with the global pursuit of healthy foods among consumers. The nutritionalization of snack foods and the snackification of nutritional foods drive the further iterative upgrading of the food industry represented by confectionery, and have become a new driving force for market growth.

Omnichannel System Optimization Unleashing Consumption Potential: The global confectionery channel system continues to optimize. Traditional supermarkets in mature markets have completed structural upgrade of product category, and traditional retail outlets in emerging markets have achieved standardized coverage. New offline retail channels such as discount stores and membership-based warehouse stores are expanding rapidly, combined with the in-depth integration of online marketing and channel networks. This breaks the coverage barriers of traditional channels, promotes the extension of consumption scenarios from low-frequency festival scenarios to high-frequency daily scenarios, increases consumption frequency, and continuously releases market increment.

Emerging Markets Unleashing Incremental Potential: In emerging markets including Southeast Asia, South Asia, Latin America, and the Middle East and Africa, confectionery consumption demand is steadily released along with the continuous population growth, rising per capita disposable income, cultivation of consumption awareness and continuous improvement of the retail channel network. Traditional confectionery categories still have room for growth, while the penetration rate of creative confectionery and nutritional confectionery is rising rapidly, becoming key incremental sources of growth for the global sugar confectionery market.

Development Trends of the Global Sugar Confectionery Market

Continuous Deepening of Creative Product Innovation: Creative innovation is an important direction for the global confectionery industry to expand consumption scenarios and adapt to consumption trends. The industry will continue to iterate around texture and taste, shape design, scenario adaptation and interactive experience, launching seasonally limited, scenario-customized and interesting innovative products. At the same time, health-focused designs such as sugar reduction and natural raw materials will be integrated into creative upgrading, balancing novel consumption experience and health demand to match the youth-oriented and personalized consumption trends.

Accelerated Rise of the Better-for-You Sugar Confectionery Segment: The Better-for-You sugar confectionery segment is emerging as a key development trend in the industry. A small number of enterprises leverage processes such as low-temperature gelation and active ingredient embedding, the industry will add nutritional ingredients including vitamins, probiotics and plant extracts on the basis of low-sugar, sugar-free and clean label formulas, while optimizing product taste and form. This balances nutrition and experience, and broadens the consumption boundary of the category. In addition, the concept of homology of medicine and food has been gradually applied to sugar confectionery, empowering products with more diverse nutritional values.

Product Segmentation Adapting to Diversified Needs: The industry will further achieve in-depth segmentation according to consumer groups, nutritional needs and consumption scenarios. It will create exclusive formulas and product forms for different groups including children, teenagers, pregnant and lying-in women, and the middle-aged and elderly. These include interesting creative confectionery for children, social creative confectionery for teenagers, low-sugar nutritional confectionery for the middle-aged and elderly, and nutritional confectionery for workplace groups, tapping the potential of each segmented market.

Technology Empowering Product Innovation: The application of food technologies such as 3D printing and molecular cuisine will break the inherent form of confectionery, enabling creative confectionery to achieve more complex structures and visual effects. Nutritional confectionery will achieve efficient activity retention of nutritional ingredients through R&D and process upgrading. Meanwhile, the application of natural raw materials and plant-based formulas will become the industry standard, strengthening the health attribute of products.

Coordination of Localization and Globalization: More localized confectionery products combined with specific regional ingredients and cultural customs will emerge, which not only meet the emotional resonance of local consumers, but also enable global companies with insight into local consumers to provide products that meet consumer demand combined with their own supply chain integration advantages. At the same time, leading brands will accelerate global layout, adapt to the consumption preferences of different regions through localized R&D and supply chain integration, and promote the global popularization of creative and nutritional confectionery.

Popularization of Sustainable Concepts: The application of environmentally friendly packaging and degradable materials is gradually popularized to reduce carbon emissions and packaging waste in the production process. Meanwhile, natural raw materials and no artificial additives have become the basic requirements for product R&D, balancing health attributes and environmental responsibility to comply with the global sustainable development trend.

Competitive Landscape of the Global Sugar Confectionery Industry

In terms of retail sales value, the total size of the global gummy market was RMB242.1 billion in 2025, with the top five gummy companies accounting for 58.8% of the total market share combined. In 2025, the Company ranked fifth among all companies globally with gummies retail sales value of RMB5.4 billion, holding a global market share of 2.2%.

Sugar Confectionery Companies Ranking (In Terms of Gummy Retail Sales Value), Global, 2025

Ranking	Company Name	Retail Sales Value	Market Share	Whether Chinese Company
		(RMB Billion)		
1	Company A	63.6	26.3%	No
2	Company B	39.0	16.1%	No
3	Company C	22.0	9.1%	No
4	Company D	12.5	5.2%	No
5	**The Company**	**5.4**	**2.2%**	**Yes**
	Others	99.7	41.2%	
	Total	242.1	100.0%	

Note: The ranking is based on retail sales value generated by each company.

Company A is headquartered in Germany. It is a private company founded in 1920, engaged in the R&D, production and sales of gummies.

Company B is headquartered in the United States. It is a private company founded in 1908, engaged in the R&D, production and sales of sugar confectionery, particularly gummies and sour candies.

Company C is headquartered in the United States. It is a NASDAQ-listed company founded in 2012, engaged in the R&D, production and sales of snack foods including biscuits, chocolates, sugar confectionery and chewing gum.

Company D is headquartered in the United States. It is a private company founded in 1911, engaged in the R&D, production and sales of chocolates, sugar confectionery and pet food.

Source: Company Reports, Frost & Sullivan

In 2025, in terms of global sugar confectionery retail sales value of Chinese sugar confectionery companies, the Company ranked first with a retail sales value of RMB5.9 billion.

Chinese Sugar Confectionery Companies Ranking (In Terms of Sugar Confectionery Retail Sales Value), Global, 2025

Ranking	Company Name	Retail Sales Value	Market Share
		(RMB Billion)	
1	**The Company**	**5.9**	**1.1%**
2	Company E	4.1	0.8%
3	Company F	0.9	0.2%

Note: The ranking is based on retail sales value generated by each company.

Company E is headquartered in Taiwan, China. It is a Stock Exchange of Hong Kong-listed company founded in 1962, engaged in the R&D, production and sales of snack foods and beverages.

Company F is headquartered in Shanghai, China. It is a state-owned enterprise founded in 2006, engaged in food sectors including dairy products, confectionery, grain and oil, food processing and retail.

Source: Company Reports, Frost & Sullivan

Entry Barriers of the Global Sugar Confectionery Market

Product Development and Production Barriers: Different types of sugar confectionery impose varying requirements on enterprises. For example, the differentiated shape design and special texture molding processes for creative confectionery require long-term technical accumulation and support from a mature production system. The formulation of nutritional ingredients and activity retention technology for nutritional confectionery require cross-disciplinary R&D accumulation, while balancing nutrition, eating taste and regulatory compliance. Sugar confectionery enterprises need to possess production qualifications that comply with international food safety standards and establish a robust quality control system, while also possessing large-scale and flexible manufacturing capabilities to meet differentiated supply demands for different products, different regions and different festivals. It is difficult for new entrants to quickly develop the above capabilities.

Supply Chain Barriers: The confectionery supply chain covers the procurement of upstream natural raw materials and nutritional ingredients, midstream customized production and mold processing, and downstream omnichannel warehousing, logistics and quality control assurance, requiring efficient collaboration across all links. The special-shaped forms of creative confectionery rely on customized molds and flexible production, while nutritional confectionery requires stable supply and activity retention of core raw materials. New entrants can hardly build a complete supply chain system in a short period of time, and are prone to problems such as unstable raw material supply and uneven quality control.

Brand Trust Barriers: Confectionery consumption is highly related to consumer experience and health and safety. Leading brands have accumulated profound brand reputation and consumer trust through long-term quality control management, market education and consumption experience. The effectiveness of ingredients in nutritional confectionery and the quality stability of creative confectionery both require long-term market verification. New entrants can hardly establish consumer recognition through marketing means in a short period of time, facing a long reputation accumulation cycle.

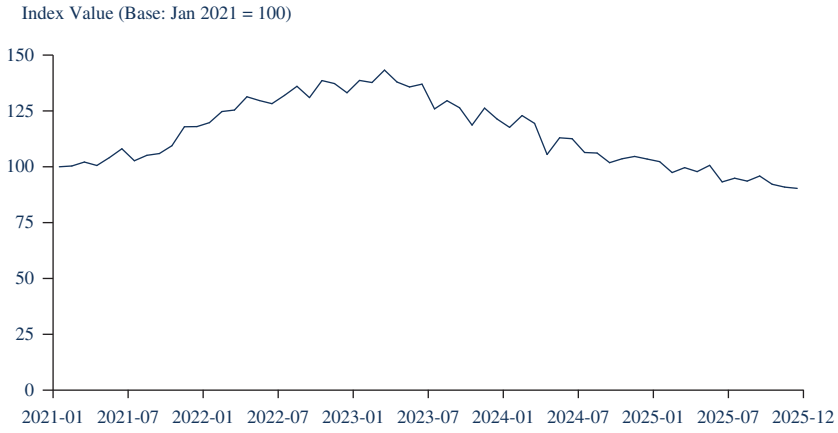
Channel Barriers: Market coverage of the confectionery category is highly dependent on the depth and breadth of the omnichannel distribution network. Leading brands have established long-term and stable cooperative relationships with the world's mainstream chain supermarkets, convenience stores and new retail platforms, and built a distribution system covering segmented scenarios in mature markets and lower-tier regions in emerging markets. New entrants face strict channel access thresholds, high market entry costs and supply chain coordination challenges, and can hardly achieve large-scale market coverage quickly.

Marketing Barriers: Consumption decisions in the confectionery category are highly dependent on brand mindshare accumulation and scenario-based marketing penetration. Leading brands have long-term locked-in core global social media KOL resources and built a mature scenario-based content communication system. The social fission communication of creative confectionery and consumer education of nutritional confectionery both require a complete marketing system support. New entrants lack brand accumulation, face high costs of traffic acquisition and user mindshare capture, and can hardly quickly establish market awareness.

Price Analysis of Key Raw Materials for Sugar Confectionery

China's gelatin export price index rose moderately in early 2021. From mid-2021 to mid-2023, the index climbed steadily and reached its periodic peak around mid-2023, driven by tightening raw material supply on the breeding side, explosive demand for downstream gummies, and global supply chain fluctuations. After mid-2023, the index entered a volatile downward channel. Since 2024, with the recovery of raw material production capacity, eased supply-demand balance and moderated downstream demand growth, the index has continued to decline and returned to a level close to the baseline of early 2021 by the end of 2025.

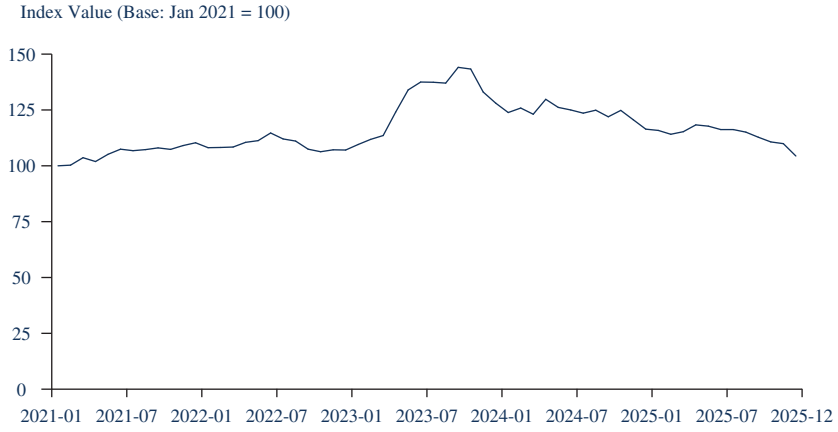
Gelatin Export Price Index (Monthly), China, 2021-2025



Source: Frost & Sullivan

Between 2021 and 2025, the global sugar spot price index showed a three-stage characteristic of stable operation, rapid surge, and shock decline. From 2021 to early 2023, the index fluctuated within a narrow range against the background of balanced supply and demand and stable costs. Starting from early 2023, driven by factors including drought-induced production reduction in Brazil, tightened exports in India and rising energy costs, the index rose rapidly to a periodic high. After 2024, as production recovered in major producing countries, supply and demand eased, and inflationary pressure subsided, the index gradually fell back to a level close to that in early 2021. This fluctuation had an impact on the confectionery industry. In the stage of rising sugar prices, traditional confectionery enterprises faced cost compression pressure, and needed to respond through price increases, sugar substitute replacement and product structure upgrading. In the stage of falling sugar prices, enterprises saw eased cost pressure, and could build up growth momentum through price adjustment, quality optimization and channel expansion.

Sugar Spot Price Index (Monthly), Global, 2021-2025



Source: Frost & Sullivan

SOURCE OF INFORMATION

We commissioned Frost & Sullivan to conduct market research on global sugar confectionery and prepare the Frost & Sullivan Report. Frost & Sullivan is an independent global consulting firm founded in 1961 in New York that offers industry research and market strategies. We have contracted to pay RMB600,000 to Frost & Sullivan for compiling the Frost & Sullivan Report.

In preparing the Frost & Sullivan Report, Frost & Sullivan conducted detailed primary research which involved discussing the status of the industry with certain leading industry participants and conducting interviews with relevant parties. Frost & Sullivan also conducted secondary research which involved reviewing company reports, independent research reports and data based on its own research database. Frost & Sullivan obtained the figures for the estimated total market size from historical data analysis plotted against macroeconomic data as well as considered the above-mentioned industry key drivers. Its market engineering forecasting methodology integrates several forecasting techniques with the market engineering measurement-based system and relies on the expertise of the analyst team in integrating the critical market elements investigated during the research phase of the project. These elements primarily include expert-opinion forecasting methodology, integration of market drivers and restraints, integration with the market challenges, integration of the market engineering measurement trends and integration of econometric variables.

The Frost & Sullivan Report is compiled based on the following assumptions: (i) the social, economic and political environment of the globe and Chinese Mainland is likely to remain stable in the forecast period; and (ii) related industry key drivers are likely to drive the market in the forecast period.