

CHINA FOOD TRENDS & OPPORTUNITIES FOR IRISH SEAFOOD EXPORTERS

Presented by **Li Xin – President, Sustenture**

15 November, 2022

Sustenture *for* **BORD BIA**
IRISH FOOD BOARD



SPEAKER: LI XIN - SUSTENTURE

- **Co/Vice Chair, F&B Committee – AmCham Shanghai, Board of Governors** candidate
- **President – Sustenture:** Advises companies with China strategy – market entry, M&A, and overall business strategy & execution. Clients include global and Chinese local meat companies, plant-based foods, central kitchen & ready meals processor, food retailer, food safety and hygiene business, and cloud/ghost kitchen, pet food etc.
- **Senior advisor – private equity investment.**
- Former **China president of Sealed Air Corp.** – US Fortune 500 Company, incl Cryovac food packaging business. 22-year career Canada, USA, China/Asia.



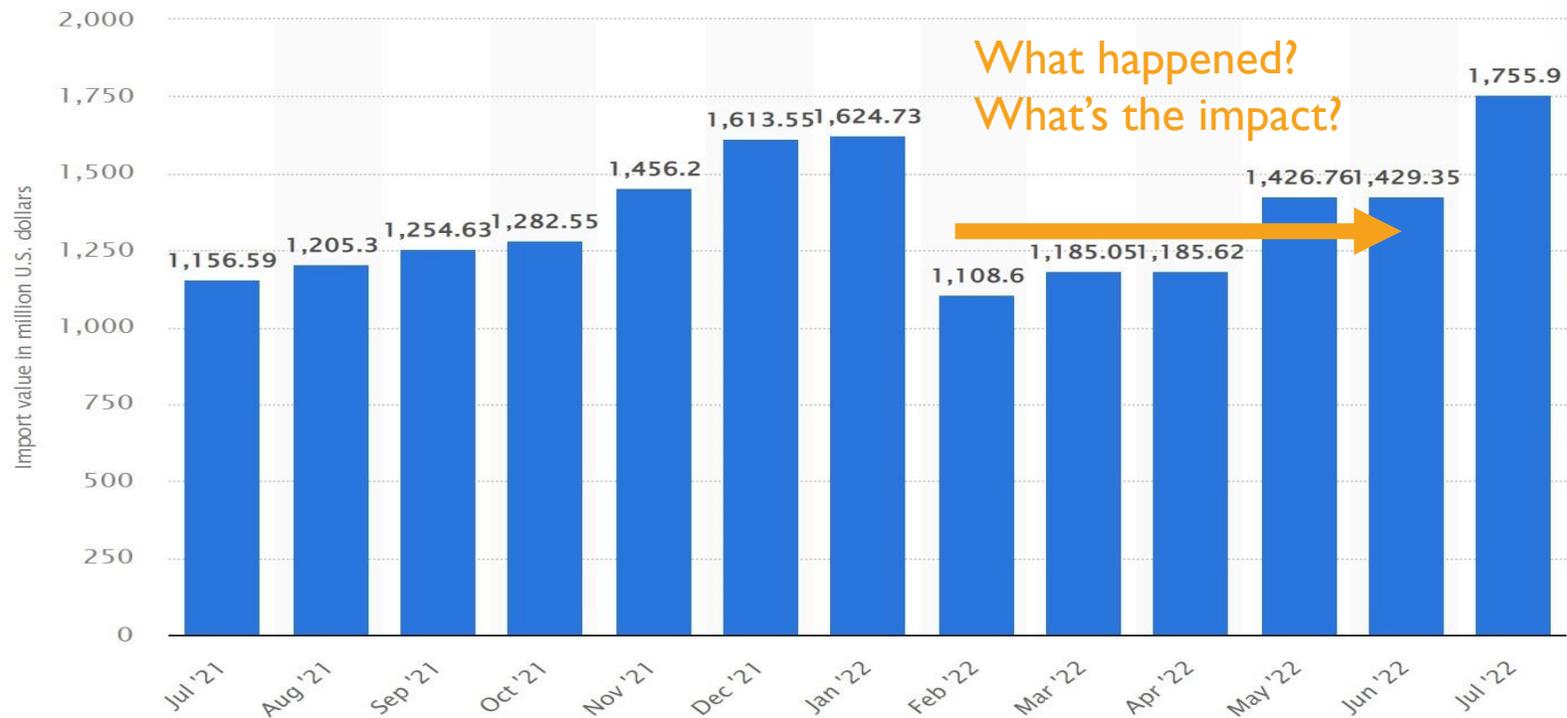
CHINA IRELAND SEAFOOD TRADE

- China: 45% world's seafood consumption = 65/144 million tons.
- China imported \$14.15 billion seafood in 2021, including processed for export.
- China to increase seafood import to \$20 billion next few years (Rabobank).
- Top ten (70%) to China: Russia, Ecuador, India, Canada, Vietnam, the United States, Indonesia, Australia, Norway and Thailand. **Ireland 0.2%!!**
- Ireland exported 600+ million Euros seafood in 2021, **28 million (4%!!) to China**, +126%. Mackerel 50%, oysters 13%, crab 13%.
- China GDP +3.9% Q3 YoY, 3% YTD (Stats Bureau), +3.3% 2022E (IMF).
- **Competitive market, but opportunity to go up!**

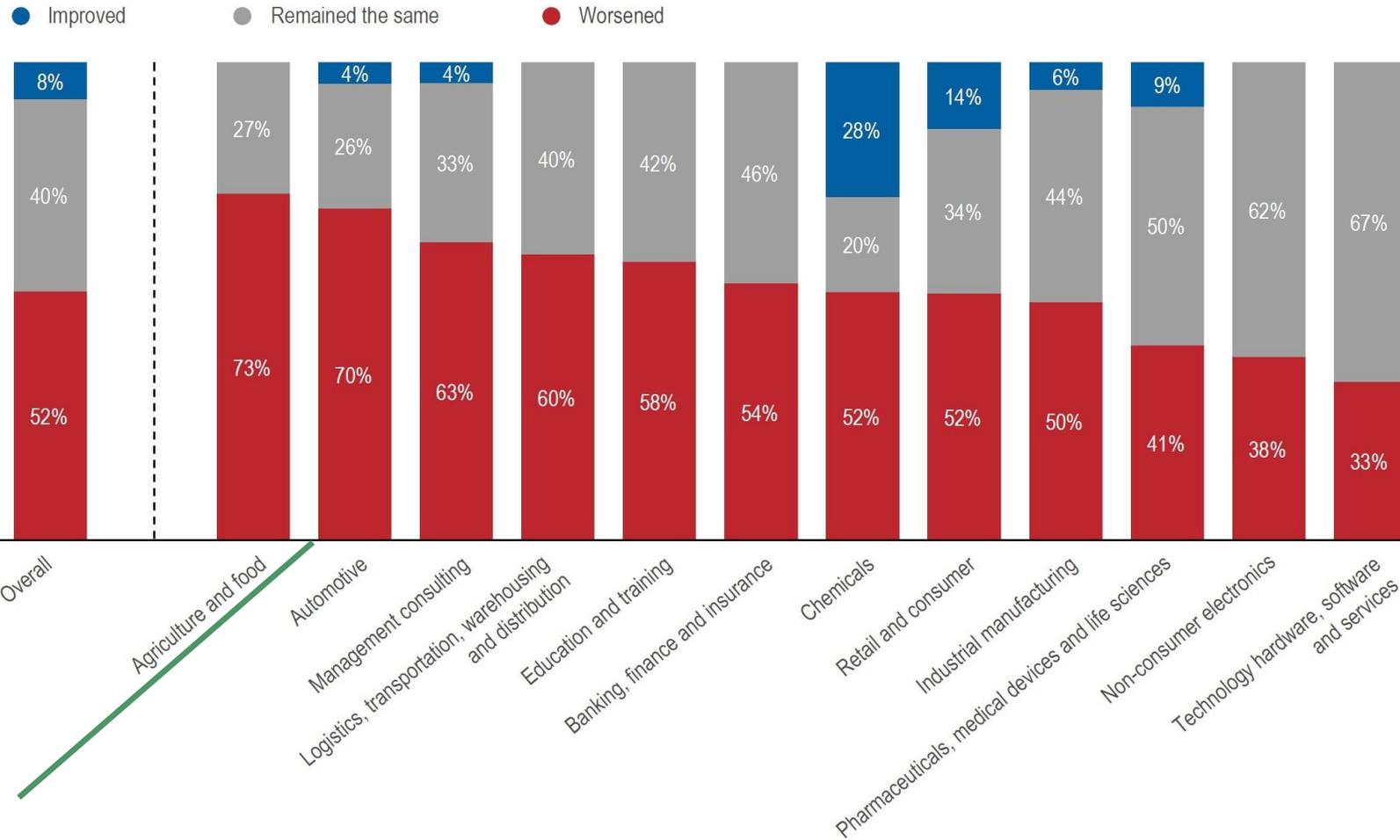


CHINA SEAFOOD IMPORTS – IMPACT?

(in million U.S. dollars)



AMCHAM SHANGHAI MEMBERS FOODSERVICE MOST IMPACTED



DINE-IN RESTAURANTS SEVERELY IMPACTED

Survey year-to-date impact:

- Western cuisine fine dining 40 %
- Chinese cuisine fine dining 20 %
- Neighborhood restaurants for casual dining & takeouts 15 %

- *Who do you sell to?*
- *What do you plan to do 2023+?*

RETAIL REVENUE & FOODSERVICE REVENUE



CHINA FOODSERVICE SECTOR 2019 - 2022

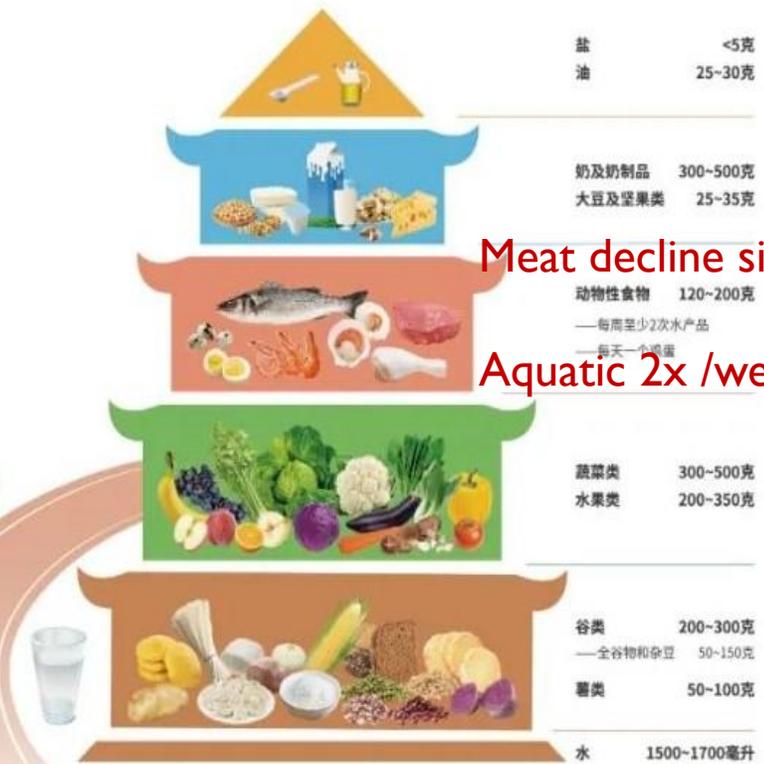
	Revenue RMB	Variance	Openings	Closures	Net Increase
2019	4,672,000,000,000	9.4%	2,380,000	710,000	1,670,000
2020	3,952,700,000,000	-16.6%	2,480,000	320,000	2,160,000
2021	4,689,500,000,000	18.6%	3,340,000	940,000	2,400,000
2022 Q1-3	3,124,900,000,000	-4.6%	n/a	523,000	n/a
	* National Stats Bureau/Qichacha		** Current total of 13 million foodservice entities.		

SEAFOOD TO GROW SHARE OF STOMACH



中国居民平衡膳食宝塔(2022)

Chinese Food Guide Pagoda(2022)



Meat decline since 2015

Aquatic 2x /week

China's Seafood Import Value by Country by Year (1000 USD)

		2017	2018	2019	2020	2021	2022	2023	2024	2025
1	Ecuador	112.827	495.443	1,899.427	1,720.246	2,186.533	2,300,000	2,400,000	2,400,000	2,400,000
2	Russia	1,436.445	2,112.086	2,185.011	1,838.521	1,858.127	1,800,000	1,850,000	1,900,000	1,900,000
3	Canada	743.141	1,003.543	1,125.777	825.011	1,067.751	1,200,000	1,400,000	1,600,000	1,800,000
4	India	118.248	392.572	1,232.768	839.572	965.293	1,000,000	1,100,000	1,150,000	1,200,000
5	USA	1,315.210	1,251.573	912.159	776.984	975.163	1,000,000	1,000,000	1,050,000	1,100,000
6	Norway	465.448	578.914	689.411	505.199	725.468	800,000	900,000	1,000,000	1,100,000
7	Viet Nam	228.812	550.045	975.882	1,052.532	706.848	900,000	1,000,000	1,050,000	1,100,000
8	Indonesia	344.327	543.402	653.212	688.005	710.526	800,000	850,000	900,000	1,000,000
9	Australia	283.465	633.901	710.846	490.258	231.280	300,000	500,000	700,000	800,000
10	New Zealand	395.646	430.187	481.216	430.619	464.902	480,000	500,000	525,000	550,000
11	Japan	270.072	347.188	329.586	215.609	391.376	400,000	450,000	500,000	550,000
12	Chile	305.795	480.639	461.789	224.909	171.906	200,000	300,000	400,000	500,000
13	Thailand	171.991	268.802	427.337	333.545	362.608	400,000	420,000	450,000	450,000
14	Greenland	133.365	231.684	273.405	259.939	237.629	250,000	275,000	300,000	300,000
15	Malaysia	49.939	99.293	233.072	259.629	277.419	277.419	277.419	277.419	277.419
16	Peru	30.713	46.314	189.181	95.644	241.116	241.116	241.116	241.116	241.116
17	Taiwan China	137.035	205.764	178.493	134.022	221.253	221.253	221.253	221.253	221.253
18	Argentina	165.310	336.496	365.588	279.363	187.649	187.649	187.649	187.649	187.649
19	Mexico	46.638	141.661	204.515	165.491	184.123	184.123	184.123	184.123	184.123
20	Pakistan	60.222	86.164	130.659	140.304	153.512	153.512	153.512	153.512	153.512
	World	8,062,462	11,605,738	15,414,355	12,366,189	13,806,049	15,000,000	16,000,000	17,000,000	18,000,000

Source: ITC, Summarized: Seabridge Marketing

RESTAURANTS TO HOME: O2O

- Social distancing necessity
- At-home consumption “popularity”
- *Who do you sell to? What do you plan to do 2023+?*



Tmall/Taobao

TikTok/Douyin

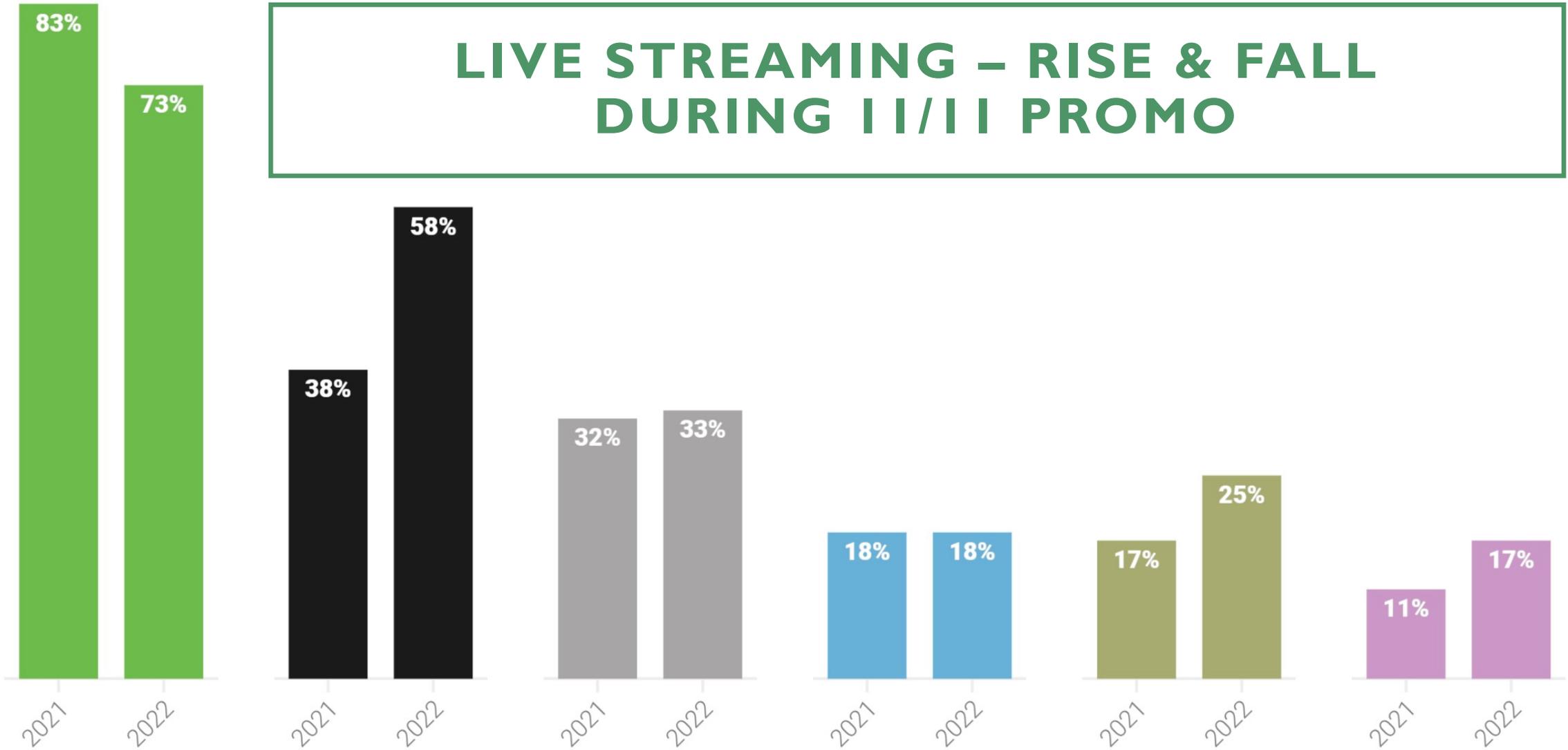
Pinduoduo

Xiaohongshu

KuaiShou

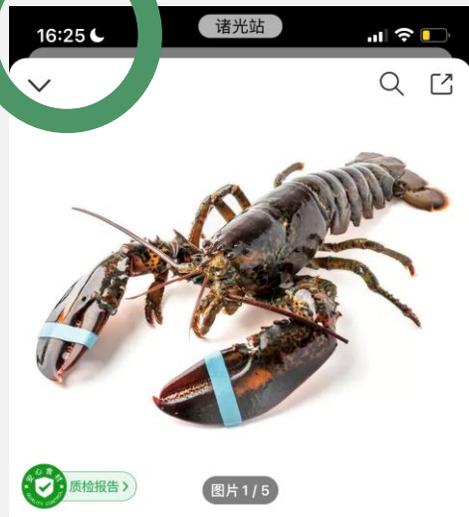
WeChat

LIVE STREAMING – RISE & FALL DURING 11/11 PROMO



Source: AlixPartners China Double 11 Survey, conducted September 30-October 12, 2022; across 1,974 consumers over 18 years across all regions, income levels and demographics. • Survey question: [Among those who participate in livestreaming] Indicate the livestreaming platforms you intend to participate in this year's Double 11.

GOURMET TO HOME: DISTRIBUTORS, E-COMMERCE – DINGDONG, MEITUAN, PDD



¥149 /份

鲜活波士顿龙虾1只 400g以上

上海疫情期间，因配送时长和小区内取货等不确定因素，可能会造成个别死亡，请您谅解。

鲜活 海水养殖 鲜活生猛 硬核：
储存条件 养殖方式 推荐理由 推荐理由

30-60 min delivery

配送 最快 17:00-17:30 送达

领券 满55.00减4.00 满79.00减5.00 满80 >



加入购物车



¥39.9 /份

叮咚特色 【ASC国际认证】鲜活净化生蚝3两大蚝6只 950g以上

单只140g以上，约20%出肉率高于行业标准；净化海水暂养肉质白嫩，疫情期间暂不提供宰杀服务

鲜活 ASC 免费宰杀 高出肉：
储存条件 食品认证 特色服务 推荐理由

这个烤生蚝技巧真的YYDS！秒杀路边摊！ >

配送 最快 17:00-17:30 送达



加入购物车



¥9.9 /份 ¥9.4 原价

绿卡会员下单，本商品可省0.50元 去开通 >

鲜活淡菜（黑口贝10-15头）约500g

8-12头，紫黑色外壳上有足丝，食用前请清洗干净，个头饱满汁水鲜美

TOP 贝类热卖榜第3名 >

鲜活 肉质紧实 吃法多样 细嫩：
储存条件 推荐理由 推荐理由 推荐理由



加入购物车

GROUP BUYS & GOURMET CLUBS



笔记

调味料：油 30g、蒜一头、葱白少许、小米椒 3个、线椒 2个、盐 6克、糖 12克左右、生抽 10g、蚝油一勺（我买的蚝油没来，没放也好吃😋）姜几片



野生蓝鳍金枪鱼
150g/份, 超低温野生蓝鳍金枪鱼
赤身
¥128

三文鱼刺身
200g*2
¥176

三文鱼籽
500g
¥168-508

飞鱼籽
400g

我的订单

团购已结束

- 好久没吃日料了，周日晚餐走起[偷笑]
- Kerry [小程序]日料自由 2022/8/27
- Kerry [小程序]日料自由 2022/8/7
- Kerry [小程序]日料自由 2022/7/29
- Kerry [小程序]日料自由 2022/7/8
- Kerry [小程序]日料自由 2022/7/8
- Kerry [小程序]日料自由 2022/7/8

Sustenture for **BORD BIA**
IRISH FOOD BOARD



URBANIZATION TO SUBURBANIZATION

9 Crucial Mistakes To Avoid For Your Fall Picnic

TimesGrocery
TimesGrocery泰晤士连锁超市
2022-09-22 15:59 发表于上海

收录于合集
#TimesGrocery 17 #Fall Picnic 1
#Packing Food 1 #tableware 1 #drink 2



Your guests won't tell you if you commit these faux pas, but they will feel it if you do. **Plan the perfect fall picnic!**

Sustenture for

- USA 2020:
 - Walmart best seller – bicycle.
 - Work-from-home new routine.
 - Zoom/Teams calls common, casual wear.
 - Job vacancies high, post pandemic.
- China 2022:
 - Sports bikes 6-month backlog
 - Low “revenge consumption” at high-end restaurants
 - Outdoor camping, cookouts
 - RTC/RTE increased 21% YoY, to 60 billion Euros 2022E.



TO BE, OR NOT TO BE

- ✓ **To be - business as usual.**
- ✓ **To be - deeper dive:**
 - Strengthen Ireland national brand “Origin Green” – pristine, quality, taste, sustainability.
 - Strengthen upstream competitiveness – technology, product portfolio. Demonstrate value for money, beyond commodity.
 - Support downstream distributors to grow to-home channels, RTC/RTE offerings, menu development and consumer education.
- ✓ **Not to be – go elsewhere for low hanging fruits.**



SUSTENTURE: YOUR ONSHORE PARTNER

- Sustenture advises companies with China strategy – market entry, M&A, and overall business strategy & execution.
- Clients include global and Chinese local meat companies, plant-based foods, central kitchen & ready meals processor, food retailer, food safety and hygiene business, and cloud/ghost kitchen, pet food etc.
- **Data >> Trends >> Action: Business Opportunity.**

• **THANK YOU!**