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PRESS RELEASE

Arla Foods Ingredients and Zhongbai Xingye sign new agreement to advance Chinese nutrition business

Arla Foods Ingredients and Zhongbai Xingye Food Technology (Beijing) Co., Ltd ("Zhongbai"), a Brenntag Group company, have signed a new distribution agreement to serve the Chinese food and nutrition markets.

Zhongbai is part of the Brenntag Group, the global market leader in chemicals and ingredients distribution. It has a strong and long-standing working relationship with Arla Foods Ingredients, which offers a broad range of premium food and nutrition ingredient solutions in China and globally.

In a collaboration spanning more than 15 years, the two companies have significantly grown their share of the Chinese market. The new agreement, which is effective immediately, will cover the full range of Arla Foods Ingredients' business units, focusing on solutions for three key segments:

- Infant Nutrition: With Chinese parents increasingly demanding premium products, the
 partnership will focus on helping manufacturers improve the nutritional profile of
 formula and other products for infants and toddlers.
- **Performance Nutrition:** There is high potential for further growth in China's performance nutrition market, which includes sports nutrition, nutrition for seniors, and dietary supplements.
- **Food and beverage:** The two companies see strong growth potential in segments such as bakery and beverages.

The in-depth collaboration between the two companies includes a jointly funded Innovation & Application Center in Zhongbai's Beijing facility, where China-specific formulations are developed. As part of the new agreement, it will be expanded with additional application-specific capabilities, increasing the potential for products tailored to local market needs.

Luis Cubel, Commercial Director of Arla Foods Ingredients, said: "Demographic changes in China have increased the demand for high-quality products, particularly in the infant nutrition and performance nutrition spaces. This agreement will help us adapt, and make our offering to Chinese markets even stronger. Zhongbai offers a wealth of expertise and local knowledge and over the past 15 years it's been an incredibly productive partnership for both companies. We're hugely excited about this new opportunity to co-operate even further, and to continue to invest in one of the world's most important nutrition markets."





Michael Friede, CEO of Brenntag Specialties, said: "This is an agreement that builds on some very solid foundations. We have a great working relationship with Arla Foods Ingredients, whose expertise, capacity and understanding of market needs has helped both companies grow in China. There's still potential for major expansion, particularly in key segments like performance nutrition. We're looking forward to working together to take the opportunities that lie ahead as two market leaders are joining hands for future growth in a highly attractive specialties market."

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About Arla Foods Ingredients

Arla Foods Ingredients is a global leader in improving premium nutrition. Together with our customers, research partners, suppliers, NGOs and others, we discover and deliver documented ingredients and products that can advance lifelong nutrition for the benefit of consumers around the world. We serve leading global brands in early life nutrition, medical nutrition, sports nutrition, health foods, and other foods and beverages.

Five reasons to choose us:

- We're passionate about improving nutrition
- We innovate by connecting the best
- We master both discovery and delivery
- We build strong, long-lasting partnerships
- We are committed to sustainability

Headquartered in Denmark, Arla Foods Ingredients is a 100% owned subsidiary of Arla Foods.

LinkedIn

http://www.linkedin.com/company/arla-foods-ingredients

LinkedIn (Latin America)

https://www.linkedin.com/showcase/arla-foods-ingredients-latin-america/

LinkedIn (China)

https://www.linkedin.com/showcase/arla-foods-ingredients-china/

About Brenntag

Brenntag is the global market leader in chemicals and ingredients distribution. The company holds a central role in connecting customers and suppliers of the chemical industry.





Headquartered in Essen, Germany, Brenntag has more than 17,500 employees worldwide and operates a network of about 600 sites in 72 countries. In 2022, Brenntag generated sales of around 19.4 billion EUR. The two global divisions, Brenntag Essentials and Brenntag Specialties, provide a full-line portfolio of industrial and specialty chemicals and ingredients as well as tailor-made application, marketing and supply chain solutions, technical and formulation support, comprehensive regulatory know-how, and digital solutions for a wide range of industries. In the field of sustainability, Brenntag pursues specific goals and is committed to sustainable solutions in its own sector and the industries served. Brenntag shares have been listed at the Frankfurt Stock Exchange since 2010, in the DAX since September 2021. In addition, the Brenntag SE shares are listed in the DAX 50 ESG and DAX ESG Target. For more information, visit www.brenntag.com.