

*Please make sure that you read carefully the Legal Statement and About the Company’ s Snapshot before reading the PDF and be aware that the information contained in the webpage shall always prevail over the PDF under any circumstances.

Gambol Pet Group Co., Ltd.

Code: 301498 ISIN: CNE1000066L8

Founded	06/26/2006	Email	ir@gambolpet.com
Listing	08/16/2023	Telephone	0635-7076058
Website	www.gambolpet.com	Fax	0635-7076058
Domicile	No. 8, Mudanjiang Road, Economic and Technological Development Zone, Liaocheng, Shandong	Office	No. 8, Mudanjiang Road, Economic and Technological Development Zone, Liaocheng, Shandong

Business Summary (Updated: 05/19/2025)

Gambol Pet Group was founded in 2006, mainly engaged in the research and development, production and sales of pet food. The main products include dog and cat staple food series, snack series and health care products series.The company always adheres to the concept of "global vision, continuous innovation" and is committed to producing nutritious and healthy pet food that consumers need.

Evolving from a contract manufacturer for foreign pet food brands at the beginning of its establishment, the company has built up its own product network radiating more than 30 countries and regions including the U.S., Japan and South Korea. The main customers include Walmart, Smuckers, Spectrum Brands among other global large retailers and well-known pet brand operators. As a leading enterprise in the national-level demonstration zone for the quality and safety of pet food export, the company has built long-term and trusted cooperation relationship with overseas customers due to its premium and stable product quality and innovation advantages.

Thanks to its advantages in product R&D, production process and quality control accumulated by serving international customers for many years, the company created its own brand "Myfoodie" in 2013. With the brand image of "international, natural, professional, fashionable and innovative", the brand upgrades in line with the changes in user needs, and has successively launched barf natural cat food series, Fregate complete balanced freeze-dried cat food series, two-taste food series and probiotics series. All these efforts are made with an aim to become a benchmark in pet food industry in China.

At present, the company has two production bases in China and Thailand. Featuring automatic and intelligent production line, personalized and customized production line, intelligent warehousing, logistics and e-commerce center and irradiation center, the company is operating under a well-established raw material supply and quality control system, so as to ensure product safety, quality and traceability. With the Hazard Analysis and Critical Control Points (HACCP) system implemented, the company has been certified by FSSC22000 and BRCGS among other food safety systems, and has also been certified by and registered with the U.S. Food and Drug Administration, the Canadian Food Inspection Agency and the Ministry of Agriculture, Forestry and Fisheries of Japan. Its testing center, accredited by CNAS with certificate awarded, is capable of carrying out comprehensive detection of antibiotic residues, pesticide residues and heavy metals to make sure its products meet international standards.

Prioritizing product quality, the company, driven by innovation, is oriented to pets' needs and customer experience and keeps introducing new products that meet market needs. In recent years, the company has been awarded many honors and titles such as "Specialized and Sophisticated SME of Shandong Province", "Provincial Enterprise Technology Center", "Provincial Key Leading Enterprise of Agricultural Industrialization", "Quality Benchmark Enterprise of Shandong Province", "Shandong Agricultural Product Export Demonstration Enterprise" and "Shandong Green Nutrition Pet Food Engineering Laboratory". Its award-winning brand "Myfoodie" topped the 2021-2022 Tmall TOP Brand Power list (pet) and the Tmall MAT2021 dog and cat food brand sales list, making it the most popular pet food brand among Generation Z in MAT2021. In addition, "Myfoodie" has won many other honors including the "Annual China Quality Award" and the "Most Popular Brand among Consumers on Tmall” in two consecutive Pet Fair Asia in 2019 and 2020; "Classic Food Brand of the Year" and "Innovation Model of the Year” in the Pet Fair Asia 2021; "Annual China Quality Award", "Classic Food Brand of the Year" in the Pet Fair Asia 2022.

Looking forward, the company will further expand its presence and improve its competitiveness in China's dog and cat food market by firmly grasping the strategic opportunities of the domestic pet industry which is expected to develop rapidly, and keeping abreast of the changes and dynamic trends of pet culture, consumption upgrading and consumption concept. At the same time, the company will spread its footprints worldwide in an accelerated manner and cultivate its advantages in technology, talent, market and supply chain worldwide, so as to gradually build itself into a highly innovative and growth-oriented international enterprise, and strive to become a leading enterprise in pet food industry at home and abroad.

Highlights (Updated: 05/19/2025)

1. Brand advantage

The company created its own brand "Myfoodie" in 2013. With the brand image of "international, natural, professional, fashionable and innovative", the brand upgrades in line with the changes in user needs, and has successively launched two-taste food series, probiotics staple food series, complete wet food and complete freeze-dried staple food series. All these efforts are made with an aim to become a benchmark in pet food industry in China. The company also made its presence in high-end pet food market, as evidenced by its acquisition of Waggin' Train, a well-known pet food brand in the U.S., in 2021.

With its commitment to brand image building, the company has built a team with rich experience in pet food brand marketing, in addition to its professional after-sales service and excellent product quality. It has also developed a set of effective marketing and promotion models – pan-entertainment brand marketing + diversified online platform-based promotion + co-branded products. In this way, the popularity of its own brand "Myfoodie" continues to increase among mass consumers.

2. R&D and technology advantage

The company always insists on innovating to open up market, improve the quality of service and enhance its core competitiveness. Keeping abreast with the development trend and direction of new technologies and new processes in the industry, its R&D team actively introduces international advanced equipment and technology, and makes constant improvement and innovation for equipment and technology.

Trading Information

CSRC Sector	Manufacturing
CSRC Subsector	Agricultural and Sideline Products Processing
Market	ChiNext of Shenzhen Stock Exchange

Directors & Executives

Chairman of the Board:	Qin Hua
General Manager:	Du Shifang
Chief Financial Officer:	Yuan Xue
Board Secretary:	Wang Peng
Board Members:	Qin Hua,Du Shifang,Xun Zhaoyong,Sun Zheng,Wang Chen,Chen Rui,Li Jun,Wang Rui,Zhai Yueling,Wang Fengrong,Qin Xuanang

Top 5 Shareholders (Ended: 03/31/2025)

Name	Shares Held(M.)	%Own
Qin Hua	183.08	45.76
Golden Prosperity Investment S.A.R.L.	68.32	17.08
Beijing Legend Shengyuan Equity Investment Partnership (Limited Partnership)	31.51	7.88
Liaocheng Hai'ang Enterprise Management Consulting Service Center (Limited Partnership)	27.74	6.93
Zhuhai Legend Boyuan Equity Investment Partnership (Limited Partnership)	13.84	3.46

Operating Revenue (Unit: Million)

	1Q	Semi-annual	3Q	Annual
2025	1,480	-	-	-
2024	1,097	2,427	3,671	5,245
2023	905	2,066	3,112	4,327
2022	-	1,687	-	3,398
2021	-	1,083	-	2,575
2020	-	-	-	2,013
2019	-	-	-	1,403
2018	-	-	-	1,221

The company has its own research and development center which consists of pet nutrition research center, new product research center, pet health care research center, pet training research center, testing center and central laboratory.

In addition, following the trend of making pet food to be healthy, high-end and customized, the company actively makes its presence in customized market and builds personalized and customized MES production lines featuring intelligence and flexibility by exerting its advantages in R&D technology. It also provides customers with customized formula and production services of healthcare food and prescription food, so as to better meet the personalized needs of consumers and enhance its brand competitiveness with differentiated products and services provided for consumers.

3. Advantages in overseas production bases and supply chain

Adhering to the business philosophy of "global vision, continuous innovation" since its inception, the company insists on procuring high-quality raw material worldwide to ensure the quality and safety of pet food. In order to purchase high-quality raw materials and deal with international trade frictions, the company has built a production base in Thailand, effectively reducing the risks that may be caused by trade frictions while improving the quality of raw materials. In addition, the company is located in Shandong Province, which is a main force in producing agricultural and livestock products in China. This strategic location gives the company certain geographical advantages in obtaining important raw materials for pet food, and cost advantages in saving the transportation cost of raw materials. The company has developed supply chain management ability over the years, so it can quickly respond to market demand, organize production efficiently and flexibly and shorten the production cycle.

4. Product quality advantage

The company attaches great importance to product quality management. The whole process from incoming raw materials and product production to finished products are inspected strictly to ensure product quality.

In accordance with international production standards, the company conduct product irradiation in its own irradiation center, and insists on carrying out product testing in both internal laboratory and third-party testing institutions, so as to ensure product safety fundamentally. Its testing center has been accredited by China National Accreditation Service for Conformity Assessment (CNAS), making it one of the few companies in the pet food industry in China with a testing laboratory accredited by CNAS.

The company and its production subsidiaries have been certified by the BRCGS, FSSC22000, FSMA, IFS, GMP and HACCP, and have also been approved by official agencies in large overseas pet food consumption countries including FDA of the U.S., CFIA of Canada, MAFF of Japan and FVO of EU. By virtue of its stable product quality and sound business reputation, the company has won a number of high-quality overseas customers.

As one of the industry's leading pet food companies, the company has been awarded many honors and titles such as "Specialized and Sophisticated SME of Shandong Province", "Provincial Enterprise Technology Center", "Provincial Key Leading Enterprise of Agricultural Industrialization", "Quality Benchmark Enterprise of Shandong Province", "Shandong Agricultural Product Export Demonstration Enterprise" and "Shandong Green Nutrition Pet Food Engineering Laboratory". In addition, relying on the company's pet food production and operation, Liaocheng Economic and Technological Development Zone, where the company is located, has become one of the first "national-level demonstration zones for the quality and safety of pet food export" in China.

5. Advantages in customer and marketing channel

In the international market, the company sells its products to more than 30 countries and regions such as the U.S., Japan and South Korea, and has established a long-term and sound cooperative relation with a number of high-quality brand customers, including Walmart,Spectrum Brands and other international well-known enterprises.

In the domestic market, the company makes its business operated both online and offline to maximize user coverage and radiation. With good cooperative relations established with Tmall, JD, Douyin and other major e-commerce platforms, the company covers a wide range of consumer groups through combining online direct selling and online distribution, maintaining its online business on the rise. At the same time, the company actively expands its network of dealers offline, and has established sales channels in main cities in 31 provinces, autonomous regions and municipalities. In this way, products can be distributed to pet stores and pet hospitals throughout China.

6. Brand marketing advantage

The company attaches great importance to the building of its own brand, and has built a team with rich experience in pet food brand marketing, pooling talents in product planning, new media, medium, graphic design and imaging. It has also developed a set of effective marketing and promotion models – pan-entertainment brand marketing + diversified online platform-based promotion + co-branded products. In this way, the popularity of its own brand "Myfoodie" continues to increase among mass consumers.

7. Advantage in information-based operation

With efforts put in rolling out digital transformation of products in advance, the company has developed and launched the system of "one code for one product" in November 2019. The system provides a unique identity code for some products under the brand of the company. The code contains information throughout the supply chain, including production process data and warehousing data. By collecting and storing massive data throughout the supply chain, the system provides data support for anti-counterfeiting and anti-falsification analysis, product quality traceability, production and marketing collaboration and subsequent innovative marketing, big data analysis, member applications, etc., in a bid to drive business innovation and enhance competitive advantage through digitalization.

Investment Risks (Updated: 05/19/2025)

1. Trade friction risk

The development of China's pet food industry is affected to some degree by the constant adjustment of the global industrial pattern and frequent international trade frictions in recent years. The company's products are mainly exported to North America, Europe, Asia and other regions. Among them, the US market accounted for 71.24%, 62.67% and 77.03% in its overseas business revenue from 2020 to 2022 respectively. Since the Sino-US trade friction escalated in 2018, the US has set up tariff barriers on Chinese exports to narrow its trade deficit. The U.S. has imposed a 25% tariff on pet food imports from China since May 2019. Affected by these factors, the company's price advantage in export to the U.S. is weakened. In addition to tariff barriers, the U.S. has also developed stringent technical standards for pet food. At present, the company's pet food products exported to the U.S. are in line with related technical indicators. However, we cannot rule out the possibility that the U.S. will set non-tariff barriers by modifying product technical standards in the future. As a result, the company's export business demand will be affected greatly.

2. Risk of unfavorable overseas market expansion

The company's overseas business revenue accounted for 48.17%, 47.88% and 39.65% in its main business revenue from 2020 to 2022 respectively. The changes in demand of overseas market have a significant impact on the company's business development. The company adopts OEM/ODM mode to produce pet food for overseas customers, which is labor-intensive and results in high degree of product homogeneity comparing with manufacturers of the same kind. With the promotion of the global economic integration process and the in-depth integration of industrial layout, emerging economies such as Thailand and Vietnam may gain greater advantages in the pet food market competition by virtue of their low labor costs. This may impose an impact on the company's overseas market demand to some degree, and the company's overseas business may be at risk for intensified competition in overseas markets. As a late starter in rolling out OEM/ODM business in overseas market, the company also records a relatively small market share. Considering the foregoing, the company may have risk of unfavorable overseas market expansion.

3. Risk of fluctuations in prices of raw materials

The main raw materials of the company's products consist of main ingredients, auxiliary materials and packaging materials. The cost of raw materials accounts for 81.81%, 83.84% and 83.65% in the company's main business revenue from 2020 to 2022 respectively. If the prices of the company's products cannot be adjusted synchronously with the prices of raw materials in case of great fluctuations in prices of raw materials, the company may face a decline in gross profit margin in the short term as the rise of raw materials prices will directly affect the company's operating costs, or the company may be at risk of loss on inventory valuation and thus a reduced profit if the prices of raw materials fall. When the prices of raw materials fluctuate greatly, the company may be subject to operational risks rising therefrom if the company cannot transfer the pressure caused by rising raw material cost, or cannot offset such pressure by improving its R&D level and production process, or cannot offset the pressure of loss on inventory valuation caused by falling prices of raw materials through effective inventory management.

4. Risk of exchange rate fluctuations

The company's overseas business revenue accounts for a relatively high proportion of its main business revenue, representing 48.17%, 47.88% and 39.65% respectively from 2020 to 2022. The company's overseas sales revenue is mainly settled in US dollars, while its plant in Thailand, which is engaged in the production and sales of pet food, purchases labor and raw materials overseas mainly in Thai Baht. Due to the changes in the global political environment, economic environment and monetary policies of different countries, the exchange rate between the settlement currency and RMB will fluctuate to a certain extent, resulting in greater uncertainty. It may expose the company to the risk of exchange rate fluctuations. From 2020 to 2022, the company reported RMB 15.5601 million, RMB 6.3635 million and RMB -23.8257 million of profit or loss on exchange respectively. If the RMB exchange rate fluctuates significantly in the future due to the political and economic situations at home and abroad, the company's overseas sales and raw material costs may be affected seriously. Therefore, the company has certain risks related to exchange rate fluctuations.

5. Risk of intensifying competition in the domestic market

In Chinese pet food market, foreign-invested enterprises represented by Mars and Nestlé Purina have a relatively high market share due to their first mover advantages in technology, brand and channel compared with local enterprises. China is a late starter in pet food industry. With the expansion of the market scale in recent years, more domestic manufacturers join the competition in the domestic market with their own brands. These companies have also achieved a certain market position by virtue of their late-comer advantages in production process, sales channel building and brand promotion. In the context of fierce competition between domestic manufacturers and foreign-invested enterprises in the pet food industry, the company may be exposed to the risk of market development failure caused by intensified market competition, if it fails to accelerate technological innovation, optimize production process, improve product quality, and exploit new markets.

6. Risk of earning fluctuations

From 2020 to 2022, the company's main business reported a gross profit margin of 33.12%, 32.79% and 37.23% respectively, and a net profit margin of 5.54%, 5.51% and 7.82% respectively, while its cost of direct materials accounted for 81.81%, 83.84% and 83.65% in the production cost respectively. In the pet food industry, raw materials account for a large proportion of costs. Thus, the fluctuations in prices of main raw materials including chicken breast and duck breast will impose a significant impact on the company's gross profit margin. From 2020 to 2022, the company recorded a procurement expense of RMB 340.8078 million, RMB 459.3265 million and RMB 700.2920 million, accounting for 16.93%, 17.84% and 20.61% of the operating income respectively. International trade frictions and exchange rate fluctuations all have a greater impact on the company's export business. Therefore, the depreciation of US dollars also affects the company's gross profit margin negatively, weakening the profitability of its export business. Moreover, the living habits of people may change with the development of society, economy and technology, further making the scale or structure of people's demand for pet food changed. Thus, the development of the pet food industry may become uncertain and the company may face the risk of profit fluctuation or even loss.

Dividend Data

Cash Div./Share()	Bonus Issue/Share	Stock Div./Share	Date Decl.	Ex-Div.Date	Record Date	Cash Pay Day	Share Pay Day
0.250	-	-	11/19/2024	11/26/2024	11/25/2024	11/26/2024	-
0.170	-	-	07/04/2024	07/11/2024	07/10/2024	07/11/2024	-

Per Share Data (FYE: 12/31)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Earnings()	1.5600	1.1500	0.7400	0.3900	0.3100	0.0100	0.1500	/	/	/
Prices: High()	80.89	78.24	-	-	-	-	-	/	/	/
Prices: Low()	30.16	38.00	-	-	-	-	-	/	/	/

Financials

Income Statement (Unit: Million ; FYE: 12/31)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating Revenue	5,245	4,327	3,398	2,575	2,013	1,403	1,221	/	/	/

Operating Costs	3,028	2,733	2,290	1,834	1,422	998	830	/	/	/
Operating Income	810	526	319	163	136	11	76	/	/	/
Pretax Income	811	525	318	179	136	10	76	/	/	/
Income Tax	184	95	52	37	24	6	31	/	/	/
Net Income	627	430	266	142	111	4	45	/	/	/

Balance Sheet (Unit: Million ; FYE: 12/31)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Assets										
Monetary Capital	695	1,009	198	357	234	254	157	/	/	/
Current Assets–Total	2,016	2,095	1,165	1,215	823	749	502	/	/	/
Non–current Assets–Total	2,993	2,049	1,118	1,089	1,067	912	665	/	/	/
Total Assets	5,010	4,143	2,283	2,303	1,890	1,661	1,167	/	/	/
Liabilities										
Current Liabilities–Total	695	357	419	701	388	360	482	/	/	/
Long–term Debt	–	–	28	50	78	178	–	/	/	/
Non–current Liabilities–Total	163	116	105	126	155	213	11	/	/	/
Total Liabilities	858	473	524	827	543	573	492	/	/	/
Stockholder's Equity										
Share Capital	400	400	360	360	360	78	70	/	/	/
Retained Profits	1,554	1,117	702	448	315	200	196	/	/	/
Total Owners' Equity	4,151	3,670	1,759	1,476	1,347	1,088	674	/	/	/

Cash Flow Statment (Unit: Million ; FYE: 12/31)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net Cash Flows–Operating	720	617	306	94	175	–37	100	/	/	/
Net Cash Flows–Investing	–969	–1,075	–180	–130	–180	–311	–350	/	/	/
Net Cash Flows–Financing	–96	1,282	–265	153	0	446	165	/	/	/