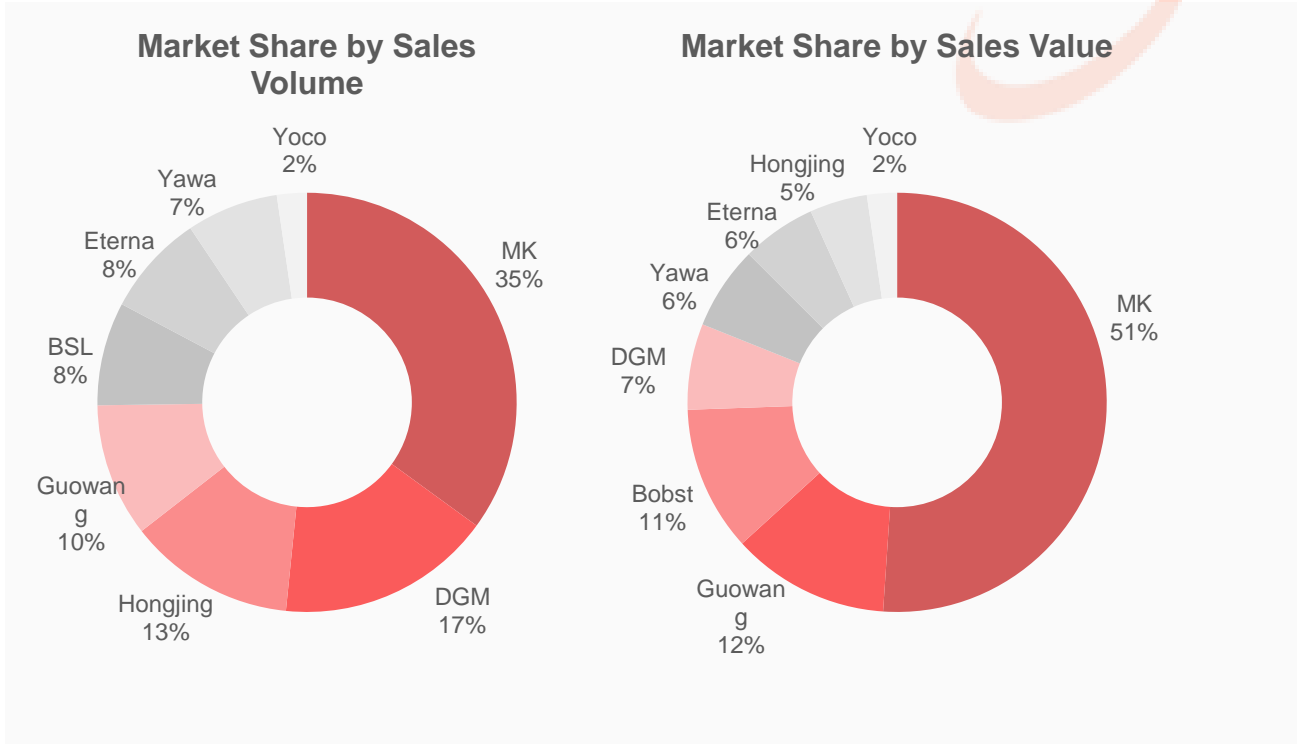


FOLDING CARTON MACHINERY MARKET STUDY

Value Chain



Market Share of Folding Carton Machinery Market

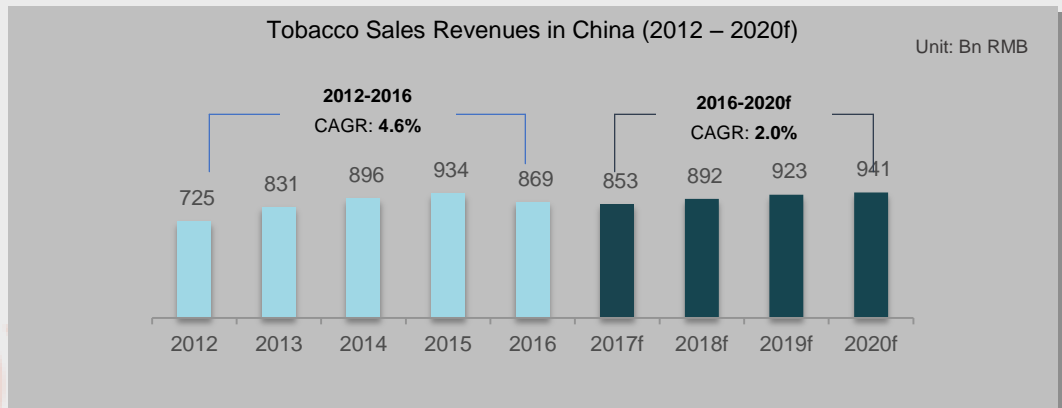


End User Industry Dynamics

TOBACCO

Tobacco industry has witnessed a shrink during 2016, due to the tax hikes, smoking bans, and strict regulatory framework

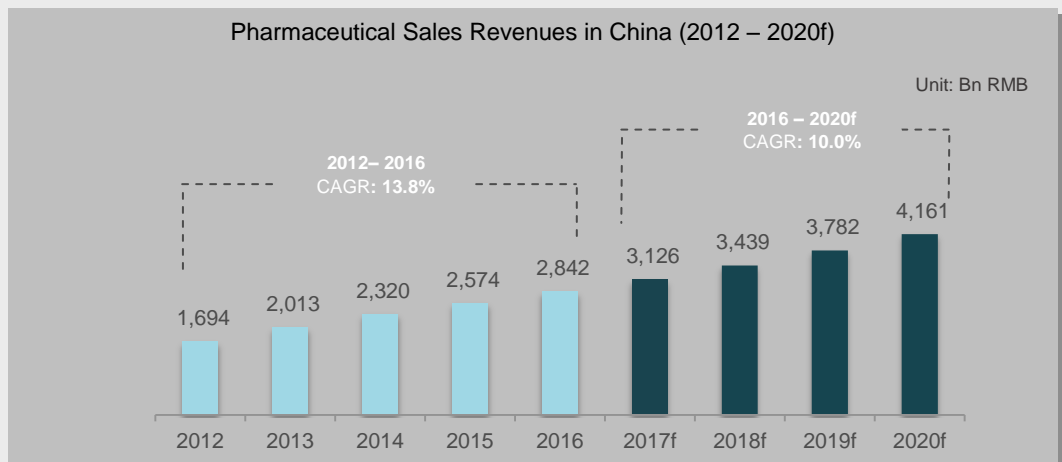
Chinese consumers have become more health-conscious, thus cutting on cigarette consumption



PHARMACEUTICAL

Pharmaceutical industry is expected to **continue to grow with a CAGR of approximately 10%**

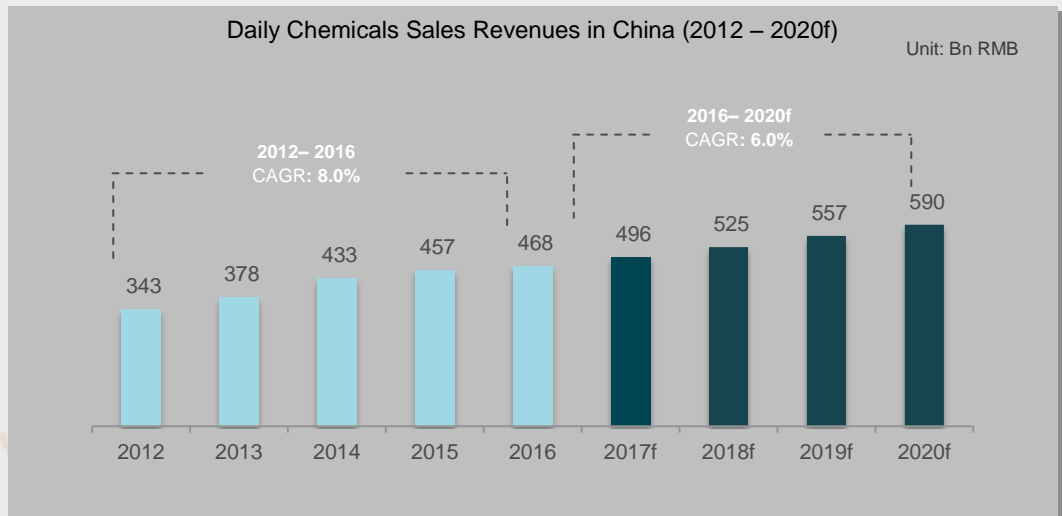
- As of 2015, 18% of Chinese people were eligible for public medical insurance. This number is expected to grow by over 50% until 2018, triggering higher demand for pharmaceutical
- By 2035, China will enter a rapid aging era, **increased longevity will drive up the demand** for pharmaceutical products



DAILY CHEMICALS

Daily chemical industry is forecasted to grow steadily at ~6% till year 2020, as

- Continuous urbanization propels rural dwellers' changes in lifestyle and increase consumption of personal care products
- Decreasing growth of disposable income resulted from slower growth of GDP makes the industry grow but at a more stable pace



FOOD

China's food industry is expected to grow with a CAGR of 6% till year 2020

- Influenced by the decreasing growth of disposable income, food industry is expected to grow steadily and consistently as GDP
- Rising health consciousness leads to people caring more about premium quality
- Food tracking system become more popular in China to enable consumers to be aware of sources of food products

