



PRESS RELEASE

Danish agriculture knocks a hole in the Wall of China

A number of Danish investors led by Scandinavian Farms will establish a large pig genetics company in China. The objective is to gain a foothold in the Chinese market, which is the largest in the world. Danish pig genetics is very competitive, and it can contribute to making pig production in China more efficient and improve food safety significantly.

A number of Danish investors, including DanBred International, Scandinavian Farms and IFU are investing in pig production in China through a pig genetics company that will produce 3,800 breeding pigs and 7,600 slaughter pigs a year. The amount invested is approximately DKK 25m.

- 50% of the world's slaughter pigs are produced and consumed in China. That makes the Chinese market for pig production the largest by far, and we expect it to increase in the years to come. There are good opportunities for Danish pig genetics, which is very competitive because of our breeding pigs and our production methods, says Thomas Muurmann, Managing Director of DanBred International.

The company, "Dan YU Pig Breeding Technology", will be established in the Chinese province of Jiangsu. The farm is a greenfield project, and new stable and production systems are being established according to Danish standards. The production will be based on 500-600 sows imported from Denmark.

- By importing Danish breeding pigs and basing the production on a Danish concept, we can ensure efficient production and high quality. That will create a competitive advantage and contribute to increasing food safety in China, says Thomas Muurmann.

The Danish production of breeding pigs in China will be marketed under the name DanAvl, and it is expected that the pig genetics company will be the first step in a large Chinese venture.

- It is a very promising project, and it could be the beginning of an adventure for Danish pig production in China, when DanAvl penetrates the market as a strong brand, says Martin Hjorth Jensen, Director of Dan YU Pig Breeding Technology.

IFU – the investment fund for developing countries participates in the project with advice and capital.

- We have entered into more than 100 investment agreements with Danish companies in China. However, this is our first big agriculture project, and it is very exciting because of the great need for production of safe food and the large potential for Danish agriculture in China, says Catherine Isabelle Cax, Investment Manager in IFU.

For further information, please contact:

Martin Hjorth Jensen, Director of Dan YU Pig Breeding Technology, tel. +86 158 216 686 70

Catherine Isabelle Cax, Investment Manager in IFU, tel. +45 22 68 75 46