Health Supplement Market in China

- China is one of the largest health supplement markets in the world, and growing
  - *Market size is estimated at USD 45-60 Billion, with annual growth of 6% - 10%*
- Market expansion is driven by aging population and increasing purchasing power
  - *Increasing demand for preventive healthcare*
  - *Greater acceptance of nutritional supplements*
- Many traditional supplement categories are highly competitive
- Successful market entry requires a disciplined strategy focused on category selection and premium positioning
- This creates a strong opportunity for premium science-based health products

China Regulatory Environment

Supplements are regulated through the <u>Blue Hat Health Food Registration System</u>

- Approved products may legally claim specific health benefits
- Clinical and safety studies are required
- Approval timelines typically range from 12 – 24 months
- Regulatory approval creates long-term barriers to entry

GreenleafX is well-positioned to support efficient registration through local partnership

GreenleafX structured entry approach

- Leverage on advanced product categories from the US market
- Identify premium product gaps in China
- Establish long-term product certification through China's *Blue Hat* registration
- GreenleafX has the capability to expedite *Blue Hat* registration
- This approach enables scalable and sustainable market entry

GreenleafX Go to Market

- Identify leading US health supplement companies
- Structure a partnership agreement to bring their products to China
- Acquire Blue Hat certificates for their products
- Work with established local Chinese sales and marketing companies to promote and sell products
- Leverage on US health supplement companies marketing and sales experience
- Import products to China in stages:
  - Initial limited test markets
  - Grow the market as the conditions allow

Become a key supplier of health supplement products in China