# Press release



### M-Industry is entering the online business in China

M-Industry has entered into a partnership with the Chinese e-commerce platform NetEase Kaola. M-Industry is selling a selected assortment of Migros products on Kaola under the name "Orange Garten".

M-Industry has entered into a partnership with NetEase Kaola. NetEase Kaola is the number one cross-border e-commerce platform in China. M-Industry has launched its online shop on Kaola under the name "Orange Garten", where it sells Migros products such as coffee, snacks and drinks. The company now plans to increase the product range available on Kaola and expand sales to other Chinese online channels. The focus is the Chinese middle class, which prefers foreign products of proven quality. The goods are produced by M-Industry companies in Switzerland and shipped to a logistics center in China, from which they are sent to end consumers by local distribution partners. <a href="https://mall.kaola.com/675665">https://mall.kaola.com/675665</a>

"We have been closely following the development of e-commerce in Asia for some time. With their growing purchasing power, the Chinese increasingly value safe and high-quality products. Thanks to our commitment to quality and high Swiss production standards, we are in an optimal position to meet this need. We are now testing a selected assortment of Migros products on Kaola to see how they appeal to Chinese consumers," says Walter Huber, Head of M-Industry and member of the executive board of the Federation of Migros Cooperatives.

The name "Orange Garten" makes reference to Migros' history and values and is now used to market Migros products overseas. In order to share the values behind its products, M Industry has created its own website to share with the Chinese consumer. It acts as an information and image platform for the Chinese market. <a href="https://www.orangegarten.cn">www.orangegarten.cn</a>

#### **Brief outline of M-Industry**

M-Industry has 25 high-performance companies in Switzerland and seven production businesses as well as various trading platforms abroad. It is a member of the Migros Group. M-Industry offers more than 20,000 high-quality food and near food products at a top price/performance ratio, making it one of the largest private-label producers worldwide. M-Industry is committed to Switzerland as an industrial location; it is continually expanding its business – based on the values of efficiency, quality and reliability. As the industrial group of Migros, it is close to the market, sets trends and offers surprising, innovative products and services. It exports quality Swiss products to more than 50 countries. Its customers include large well-known international companies. M-Industry runs its production responsibly and sustainably. Whenever possible, it transports its goods by rail. With more than 13,000 employees, including 538 apprentices in more than 30 professions, it is a major employer in Switzerland. <a href="https://www.mindustry.com">www.mindustry.com</a>

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#### **About NetEase Kaola**

Since its founding in January 2015, NetEase Koala (www.kaola.com) has developed into the leading e-commerce platform for imported products in China. Kaola aims to provide Chinese consumers with high-quality foreign products via a secure supply chain that protects producers' intellectual property rights and prevents the sale of counterfeit goods. More than 5,000 brands from over 80 countries are sold on Kaola.com.

Kaola has 12 locations in China, Germany, the USA, Italy, Japan, South Korea and Australia. The company has the largest duty-free warehouse in China (nearly 300,000 sq. m of which is already in use).

#### About NetEase, Inc.

NetEase, Inc. (NASDAQ: NTES) is a leading internet company in China that offers online services for content, communities, communication and commerce. NetEase operates some of the most popular Chinese PC and mobile phone games, advertising and email services and e-commerce platforms. Through licensing agreements with Blizzard Entertainment, Mojan AB and other global game developers, NetEase also offers highly popular international online games in China. More information can be found at: http://ir.netease.com/

#### Logo for download:

http://media.migros.ch/images/2017/LogoOrangeGarten.jpg

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