

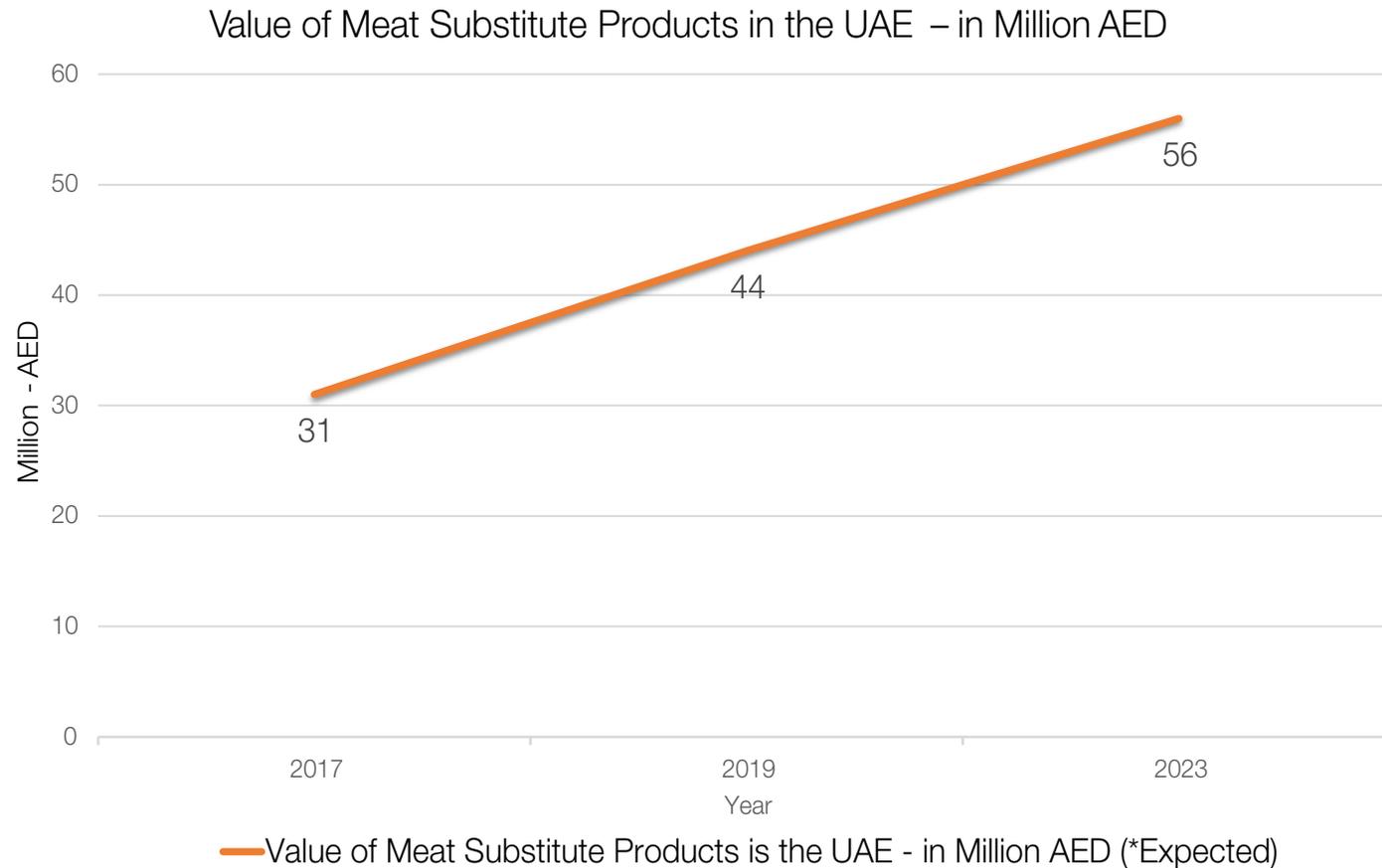
THE DOMINATING TREND: HEALTH & PLANT-BASED EATING

According to a survey of 23,000 consumers across the globe conducted by FMCG Gurus in September 2020, **72% of consumers are now making conscious decisions to purchase healthier food and beverage products.**

The trend towards healthier eating has dominated the food industry for the past decade. The pandemic has accelerated this further to the point that health and immunity are now the most pressing consumer concerns today. Although this pandemic will eventually abate, the awareness of healthier eating is certain to remain along with the indelible impact this event will leave in our memories.

One of the key dietary and consumer trends taking place globally and in the GCC is the shift towards plant-based or flexitarian and reducetarian diets. Veganism is now the fastest consumer trend globally with a growth rate of 600% and some countries like the UK recording 987% growth. In the UAE we have seen the plant-based milk category grow approximately 50% (retail estimates) and the plant-based meat category expand from no brands in 2018 to almost 14 imported brands and 1 local player now in the market. Subway and Burger King have also launched their own plant-based offerings in the UAE.





The meat substitute market in the UAE grew at CAGR of 20% from 2017 to 2019.

*Please contact FSL for information on the source of this data.

WHY ARE CONSUMERS REDUCING MEAT CONSUMPTION?

However, the largest purchasers of plant-based products are not vegans or vegetarians but flexitarians and reducetarians.

Who are Flexitarians & Reducetarians?

✔ Consumers making conscious choices between consumption of animal-based and plant-based products for health, ethical and / or environmental reasons.

✔ 44% of the world population

Who are Vegans & Vegetarians:

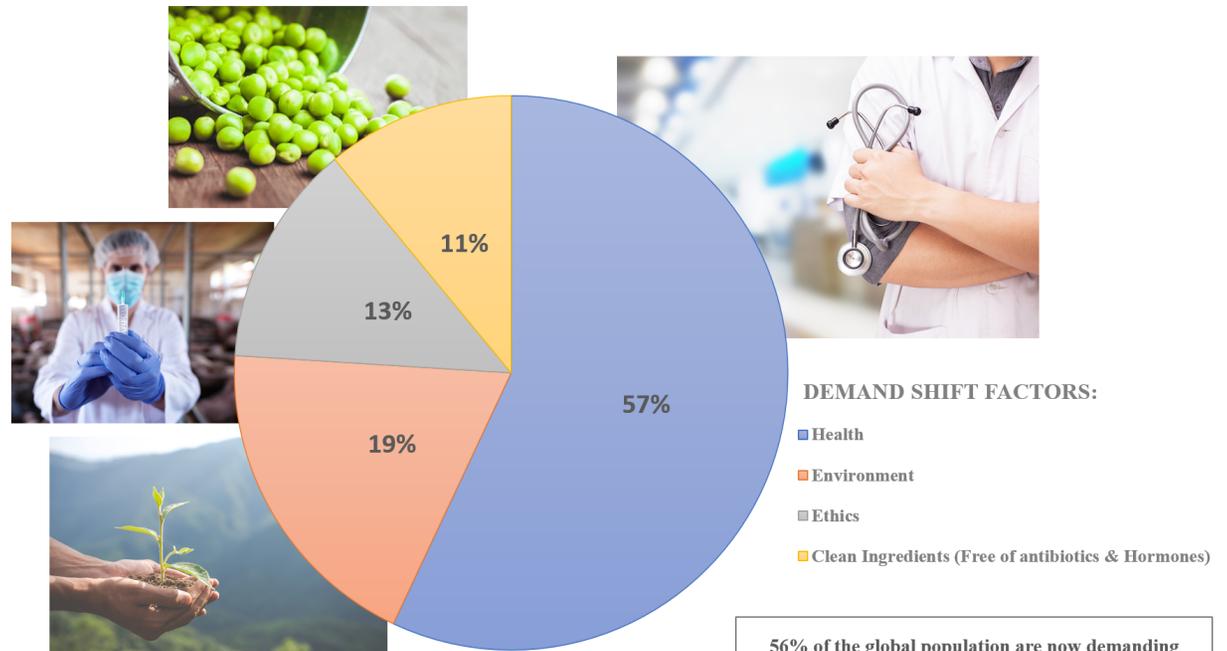
✔ Vegans do not eat any animal products;
Vegetarians do not eat meat.

✔ 12% of world population and growing fast (600%)

56% of plant-based food consumers globally are flexitarians, reducetarians, vegetarian or vegan.

95% of Beyond Meat and Impossible Foods customers are meat eaters and in the GCC it is also the flexitarian and reducetarian market which is the largest target consumer segment. These consumers are seeking plant-based alternatives to reduce their consumption of meat.

THE 4 KEY FACTORS DRIVING THE SHIFT TOWARDS PLANT-BASED EATING:



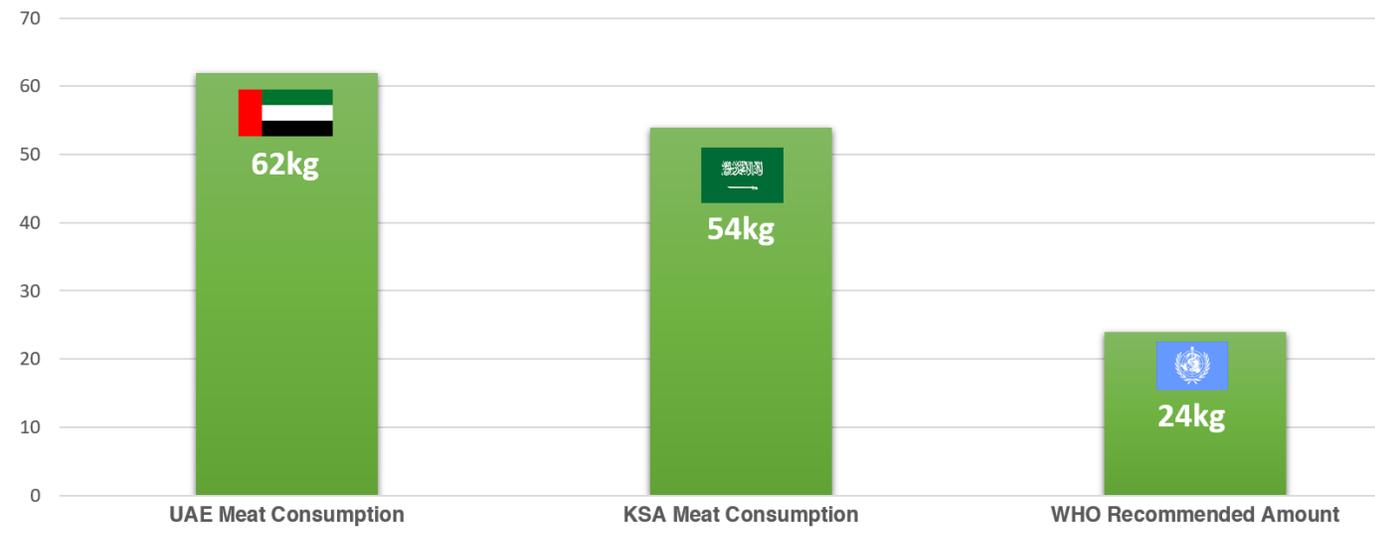
Source: ourworldindata.org

56% of the global population are now demanding more plant-based alternatives to meat.

Excess consumption of meat products has been linked to various life-threatening diseases such as obesity, heart disease, high blood pressure, cancer and cholesterol related illnesses. Plant-Based Diets have been medically proven to reduce the risk of heart disease, obesity, high blood pressure and cholesterol related illnesses.

In 2015 the WHO declared cooked meat as a carcinogen while a Harvard study also supported the findings that eating meat was linked to higher risk of cancer.

Annual Meat Consumption Per Capita 



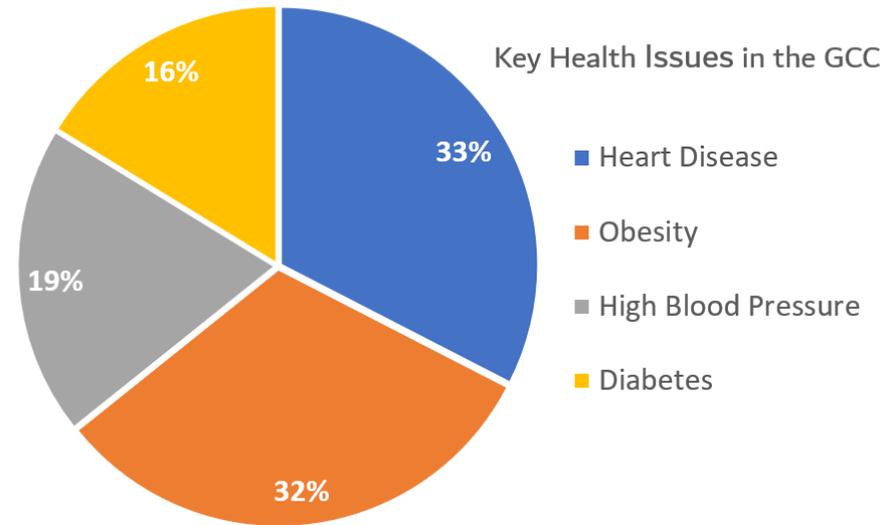
The population of the GCC are amongst the highest consumers of meat in the world. 2017 Meat consumption in the UAE was 62kg per capita per year and in Saudi it was 54kg. The World Health Organization recommends no more than 22kg per person.



GCC consumers are consuming 2-3 times the recommended amount of meat which is very likely to be the key factor driving the redusetarian trend in our region.

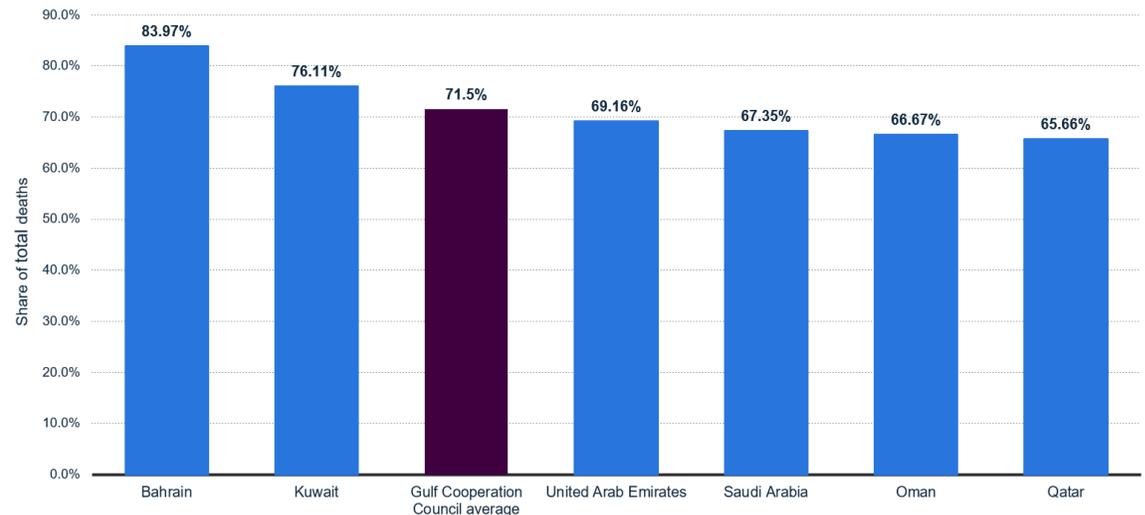
Due to this excessive pattern of meat consumption, the GCC population also suffers from some of the highest rates of heart disease (33%), obesity (32%) and high-blood pressure (19%). As a result, 65-80% of the deaths in the GCC region occur due to non-communicable diseases, most of which can be prevented or controlled with healthy eating and exercise.

The high rates of these 3 health conditions are linked to the consumption of meat and those who suffer from them would be instructed by their doctors to reduce their meat consumption.



Health Statistics

Share of total deaths due to NCDs in the GCC in 2016, by country



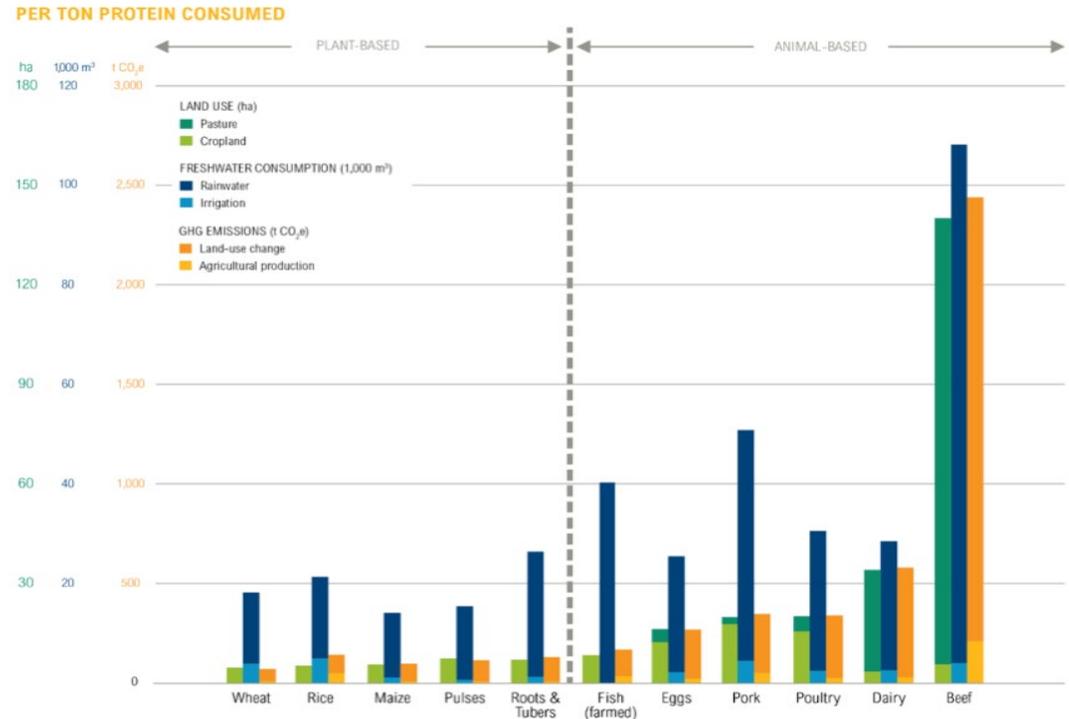
Sources: IHME; World Bank

81% of Saudi adults claim that they are willing to make short term sacrifices for long-term health. (Mintel 2020)

Animal based foods are up to 10 times more resource intensive than plant-based in terms of Land and Water usage, Greenhouse gas emissions. Raising animals is also the primary source of all water pollution globally.

20% of consumers who switch over to a plant-based diets cite “care for the environment” as the primary driver.

Animal-Based Foods Are More Resource-Intensive than Plant-Based Foods

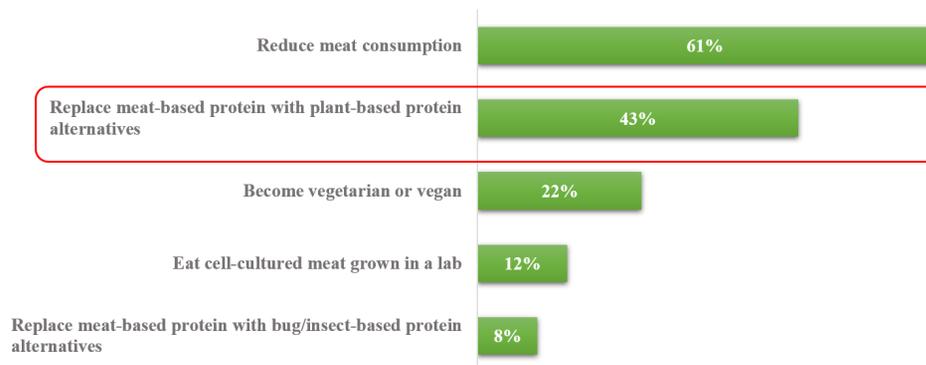


wri.org/shiftingdiets

WORLD RESOURCES INSTITUTE

Some habits do change – and are changing quickly.

What are consumers willing to do after the impact of livestock on climate change?



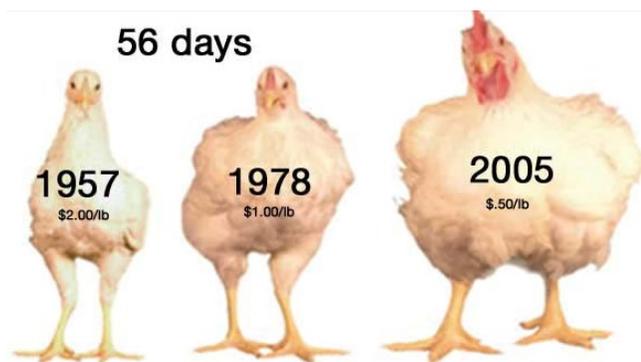
Source: Homescan US survey, Nielsen, December 2018

Some consumers are beginning to question the ethical implications of quarantining and slaughtering animals for meat while Animal Rights organizations like PETA and DxE are spreading awareness of the harsh conditions in which these animals are raised and the suffering they experience.

A new concept called “Speciesism” has reared its head in philosophical debates, which questions why we discriminate against certain animal species, treating pets with love and farm animals as commodities.



DIRECT ACTION **DxE** EVERYWHERE



With 70 billion animals (10 times the global human population) being raised in cramped conditions without any distancing there is a very high risk of zoonotic diseases merging and mutating and then transferring to humans.

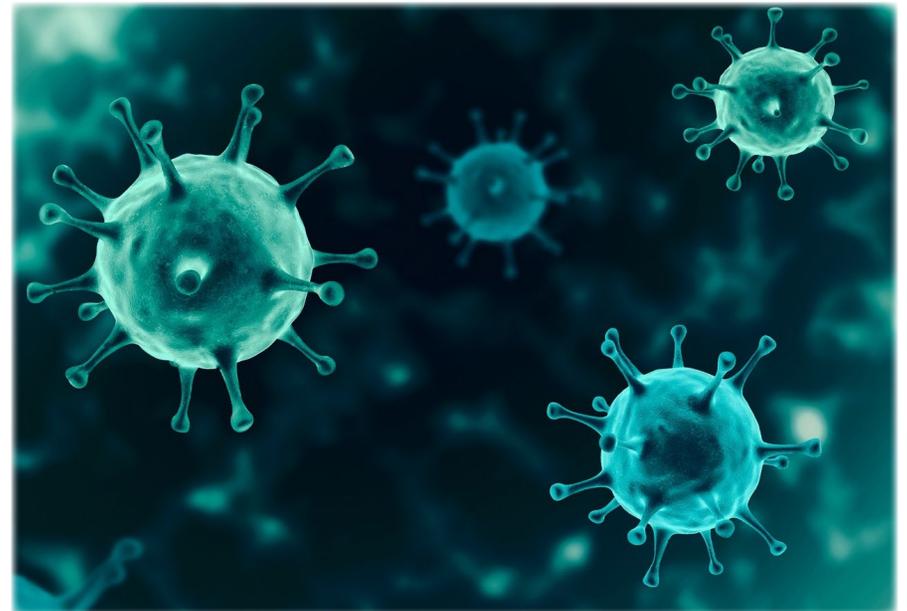
21% of Saudi consumers now aspire to reduce their consumption of animal products post-COVID. (Mintel / Lightspeed 2021)

SARS-1, Bird Flu, Swine Flu and MERS all jumped from animals to humans and the deadly Spanish Flu pandemic 100 years ago also came from a poultry farm in Kentucky.

Animal agriculture also enables pathogens to develop antibiotic resistance which increases our vulnerability to new deadly diseases. 80% of all antibiotics produced globally go into animals raised for meat to prevent them from getting sick due to the conditions they live in.

As a result of the risks that animal agriculture poses to both private and public health consumers are becoming increasingly skeptical of animal-based foods.

99% of all flu strains (for which we take annual flu shots) come from poultry while 75% of all new emerging diseases are zoonotic due to the large number of farm animals living in confined conditions.



These 4 key factors are driving a definitive shift towards healthier, more sustainable and ethical eating by consumers in the GCC who are now seeking brands which align with their values. The Coronavirus pandemic has set in motion a much deeper concern for private and public health as individuals question their health, immunity and our collective vulnerability to disease.

As a result, consumers are taking a more proactive approach towards their diets and lifestyles in order to optimize their health and strengthen their immune systems. This is a deep psychological consumer shift which is likely to persist well into the future. Brands which can adapt and ride these new waves of consumer demand will profit on growth opportunities in a post-COVID era.

FSL has spent two years carefully formulating the best plant-based solutions for our customers using a wide range of texturates, seasonings, fats and flavours from our various different suppliers, each which brings their own expertise and distinct value to our solution with their specialized ingredient.

Our benchmark has always been the industry leaders with the objective of creating the best tasting plant-based burger solution in the GCC. We are currently offering Plant-Based Burgers, Chicken Nuggets, Franks, Fish, Bacon, Shawarma and Arabian Kebabs to our customers across the GCC and Levant.

Please contact us to discuss FSL's range of Plant-Based Solutions for your brand.

