



股票代號：1256

# 躍動成長 活力鮮活

鮮活控股股份有限公司  
Sunjuice Holdings Co., Limited

Presenter : Huang, Kuo-Huang / President

Date: 26 to 29, November, 2013



# Agenda

- I 、 Company Profile Overview**
- II 、 Catering Industry & Market Overview**
- III 、 Competitive Advantages**
- IV 、 Operational Performance – Year 2013 Q3**
- V 、 Drivers of Growth**
- VI 、 Business Philosophy**



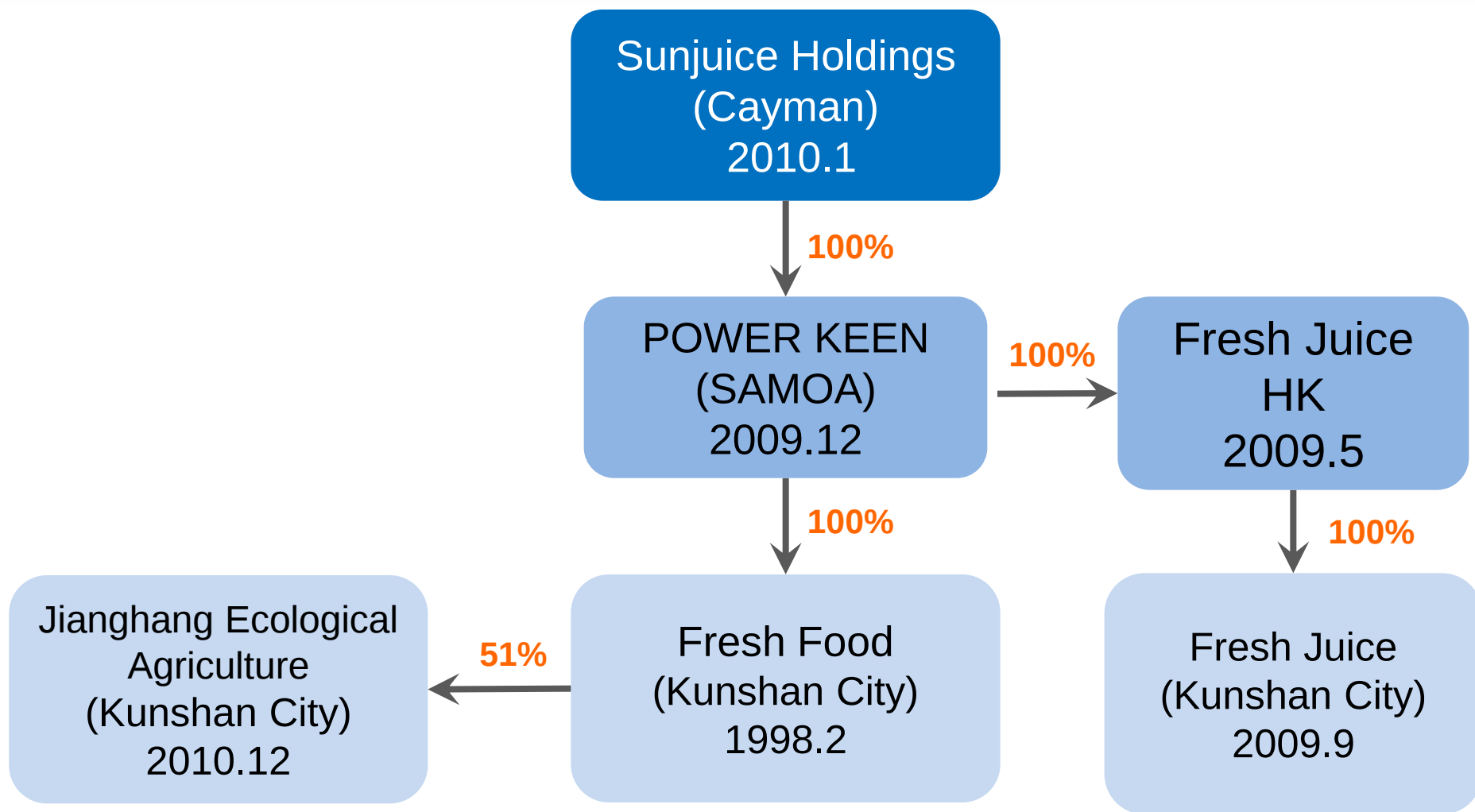
# I 、 Company Profile Overview - Basic Information

- **Company Name** : Sunjuice Holdings Co., Ltd.
- **Foundation Date** : 2010/1/12
- **Chairman** : Huang, Kuo-Huang
- **Market Capital** : NTD1.764 million
- **Company Registered Add** : 1st Floor, Windward 1, Regatta Office Park, P.O.Box 10338, Grand Cayman KY1-1003, Cayman Islands
- **Head Office** :
  - **Fresh Food (Kunshan) Co., Ltd.** (Established in Feb 1998 at Kunshan City, Jiangsu Province)
  - **Fresh Juice Industry (Kunshan) Co., Ltd .** (Established in September 2009 at Kunshan City, Jiangsu Province)
- **Main Business** : For production and sales of fruit juices, puree, powder, etc.



# I 、 Company Profile Overview – Development History

- Feb 1998** **Fresh Life (Kunshan) Food Industry Co., Ltd. was established at Kunshan City, Suzhou, China.**
- Oct 2002 Shanghai Branch of Fresh Life (Kunshan) Food Industry Co., Ltd. was established at Shanghai.
- May 2009 Sunjuice (Hong Kong) Limited was set up at Hong Kong.
- Sept 2009** **Fresh Juice Industry (Kunshan) Co., Ltd. was established at Kunshan City, Suzhou, China.**
- Dec 2009 ERP management system was officially implemented.
- Dec 2009 Power Keen Limited(Samoa) was set up at Samoa.
- Jan 2010 Sunjuice Holdings Co., Ltd. was set up at Cayman Islands.
- May 2010** **Being one of the qualified supplier for providing raw materials to World Expo restaurants of customized drinks.**
- Dec 2010 Established a joint venture company with Jianghang Village Economic Cooperation named Kunshan Jianghang Ecological Agriculture Science & Technology Development Co., Ltd. at Zhangpu Township, Kunshan City.
- Mar 2011** **Officially relocated to the new plant at JuJin Road, Zhangpu Township, Kunshan City, Suzhou.**
- Apr 2011 Newly promoted sales project: juice dispensing sector.
- July 2011 A Pilot Plant was set up.
- Sept 2011 Fresh Juice accredited to Industrialization of Suzhou's Leading Agricultural Businesses.
- Mar 2012 Fresh Juice. accredited to Food Safety Management Systems (ISO 22000) certification.
- Aug 2012 Fresh Life (Kunshan) Food Industry Co., Ltd. was renamed as Fresh Food (Kunshan) Co. Ltd.
- Sept 2012** **Sunjuice Holdings Co., Ltd. was officially listed at Greta Securities Market (GTSM).**
- Feb 2013 Certified as the "2012 Suzhou Famous Brand Product" by the People's Government of Suzhou Municipality.
- Mar 2013 Introducing state-of-the-art pilot aseptic filling equipment at Pilot Plant.
- Nov 2013** **Newly established cleanliness & safety plant was completed and put into production.**



In August 2012, Fresh Life (Kunshan) Food Industry Co., Ltd. was renamed as Fresh Food (Kunshan) Co., Ltd

# I 、 Company Profile Overview – About the Factory

(I) 、 Land Area : 13,333 Sq. Meters

(II) 、 Factory Area : 16,600 Sq. Meters

(1) Raw Material Warehouse : 3 units, Cold Storage Warehouse : 5 units

(2) Finished Product Warehouse : 2,800 Sq. Meters for 1,200 MT.

(3) Production Plant : 4,400 Sq. Meters

(4) R&D, Quality Assurance Department : 1,200 Sq. Meters

(5) Company Staff : 297 people ( Until 31 October 2013 )



# I 、 Company Profile Overview – Core Products

Our variety of products e.g. concentrated juice, flavor syrup, fruit pulp, and fruity powder, etc. , mainly supply to **Food & Beverage Chain System** & **Food Processing Company** as raw materials for non-packed & prepared juice drinks.

## 1. Concentrated Juice



## 2. Fruit Jam/Pulp

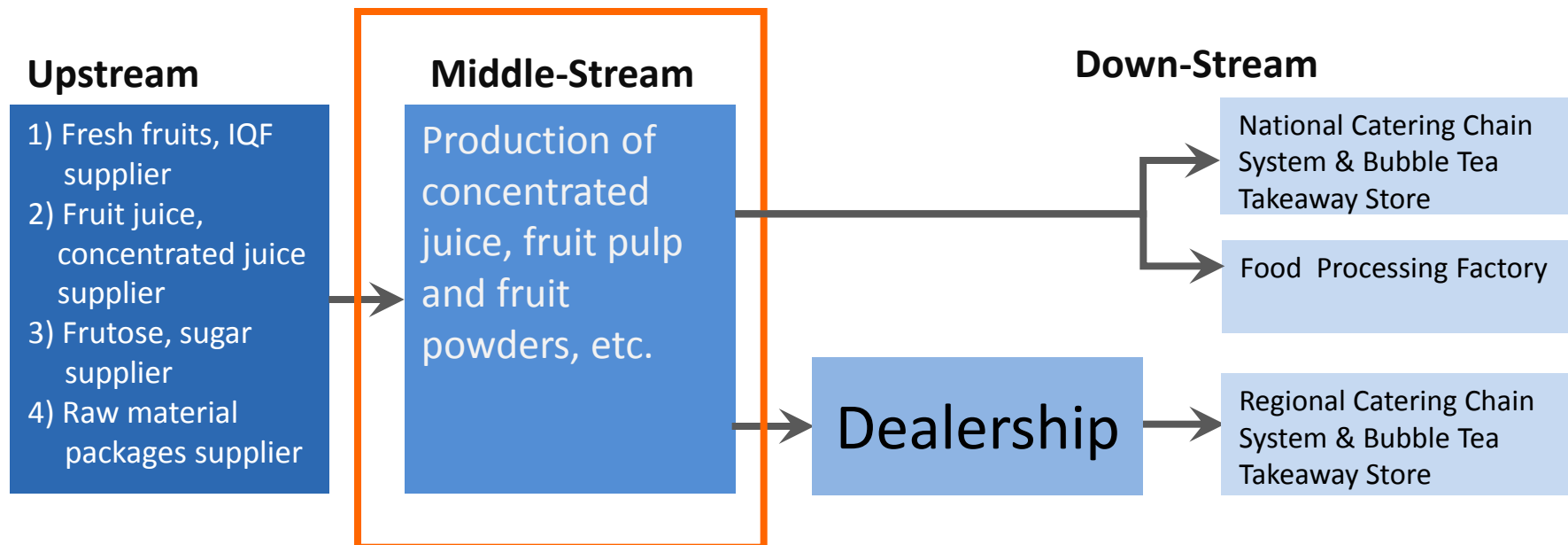


## 3. Fruit Powder



## II 、 Catering Industry & Market Overview

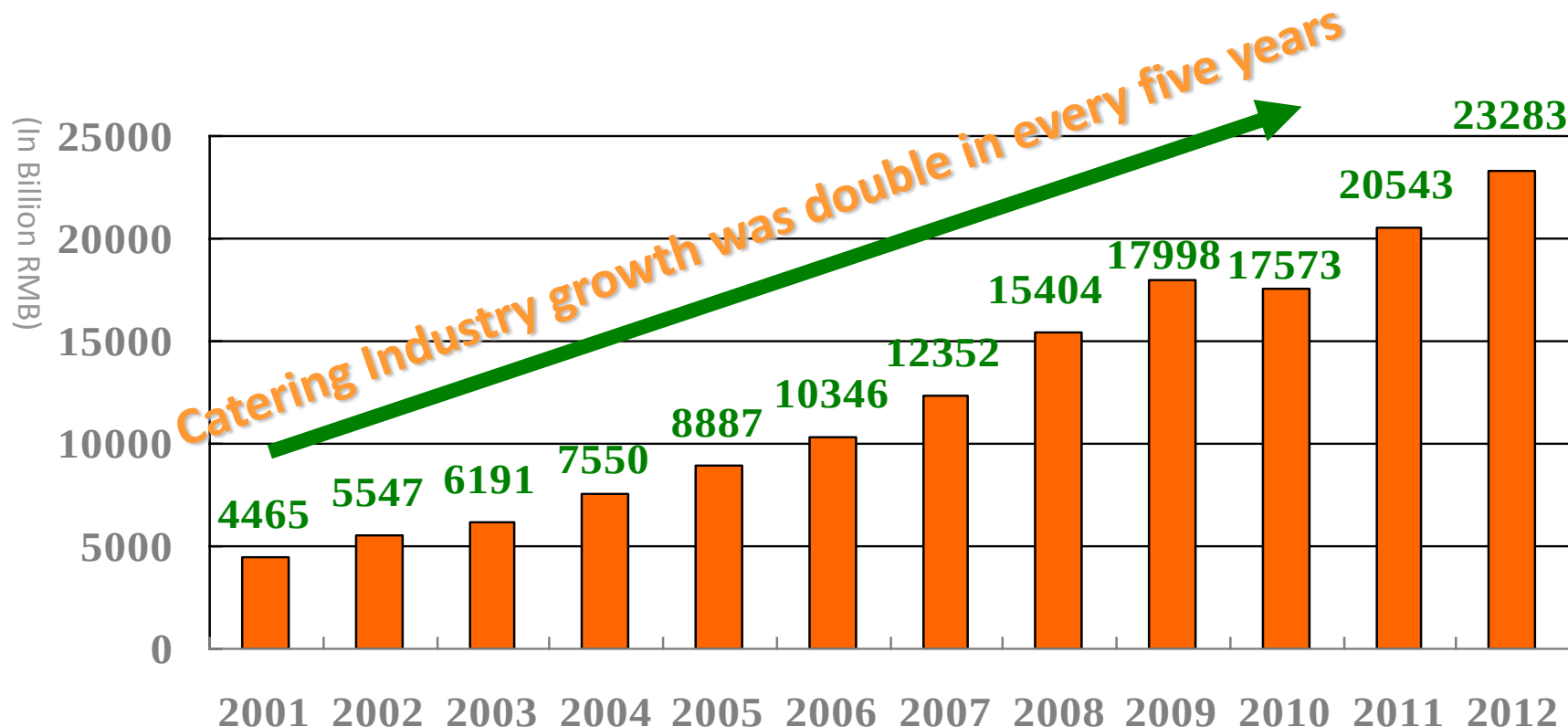
### Market Position :



■ Our company is located in Middle Stream. As a raw materials supplier for non-packed & prepared juice drinks **other than packed juice drink for end consumer market.**

## II 、 Catering Industry & Market Overview

### Annual Scale Growth of China's Catering Industry in 2001 to 2012

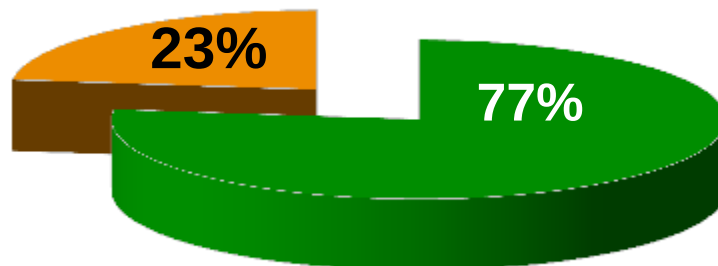


Source: China's Catering Industry Development Report 2013 (China)  
中國餐飲產業發展報告2013

## II 、 Catering Industry & Market Overview

### Year 2011 China's Fruit & Vegetables Drink Market Sales Ratio

Fruit & Vegetable Drinks



Carbonated & other types of drinks

Source : 《Beverage Industry (飲料工業)》  
2012 Vol 15, No 3 (China)

### Year 2012 China's Fruit & Vegetables Drink Market Sales Ratio

Fruit & Vegetable Drinks



Carbonated & other types of drinks

Source : 《Beverage Industry (飲料工業)》  
2013 Vol 16, No 2 (China)

### III 、 Competitive Advantages

- 1 、 Innovation & Research Competence, Patent Technology**
- 2 、 Customized & Variety of Product Structure**
- 3 、 Cleanliness & Safety Production System**
- 4 、 Perfection of China's Sales Network System**

## (1)Research Result

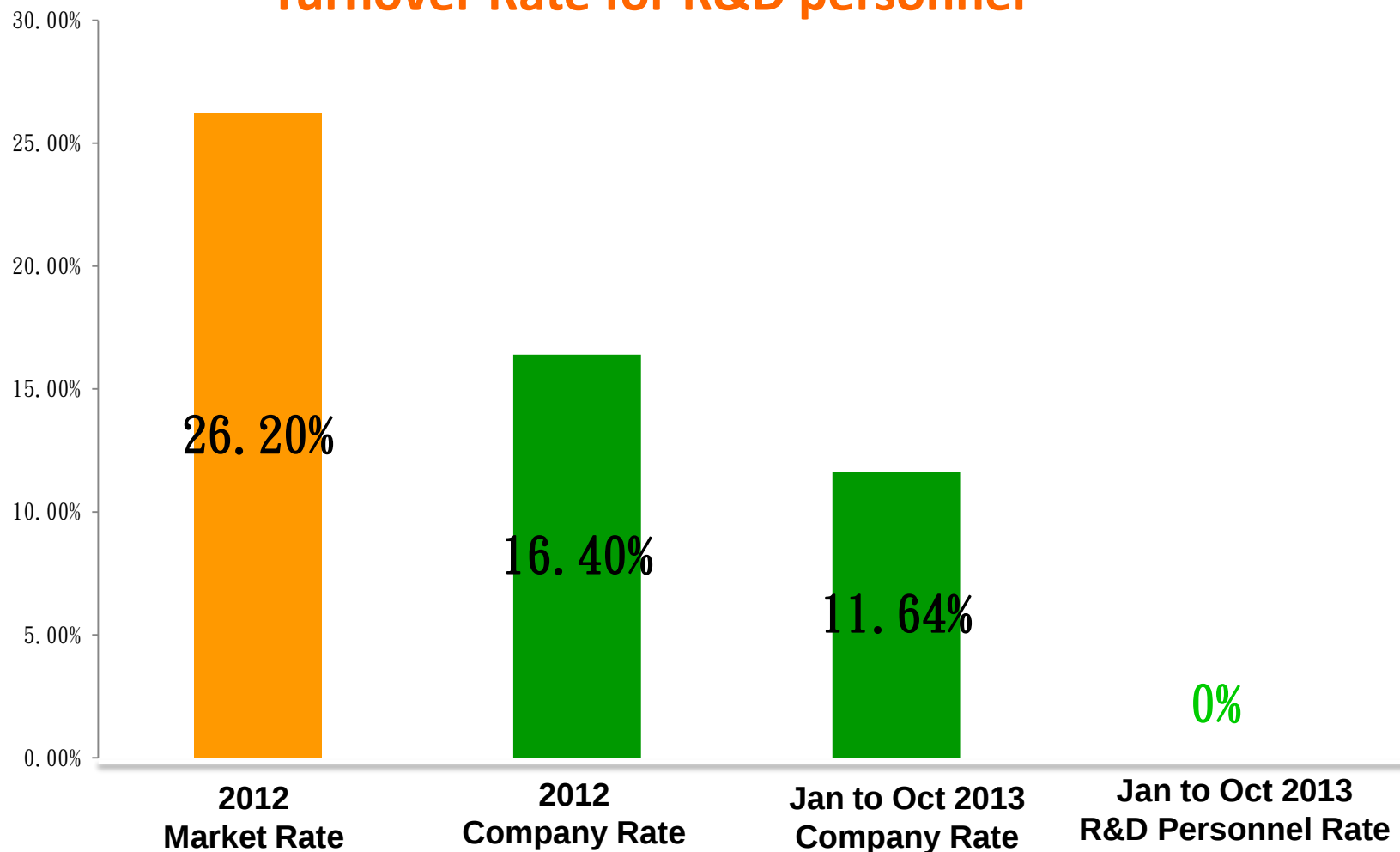


## (2)Core Technology

| Year 2010                      | Year 2011   | Year 2012                     | Year 2013                  |
|--------------------------------|-------------|-------------------------------|----------------------------|
| Microemulsification Technology | Pilot Plant | Fructose Synergism Technology | Aseptic Filling Technology |

# 1、Innovation & Research Competence, Patent Technology

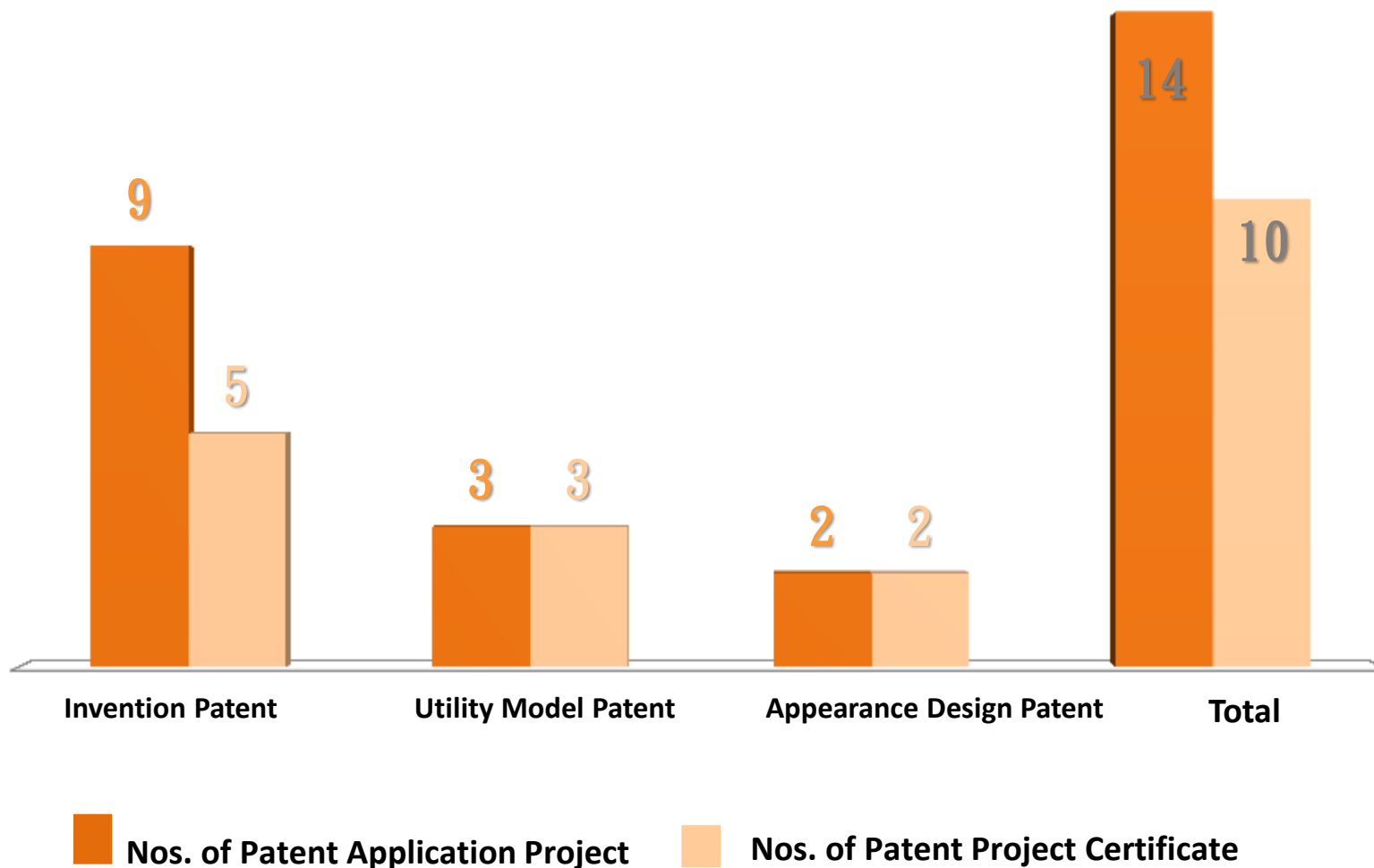
## Turnover Rate for R&D personnel



Source : Puxin Consulting Co. 《2012 Turnover Rate Research Report (離職率調研報告)》

# 1、Innovation & Research Competence, Patent Technology

## Patent Application as of 30 September 2013





# 1、Innovation & Research Competence, Patent Technology

| Patent Name                                                                                                                   | Patent No      | Region | Patent Type       | Date       | Remark        |
|-------------------------------------------------------------------------------------------------------------------------------|----------------|--------|-------------------|------------|---------------|
| Orange flavor concentrated juice composition: an emulsified essence by utilizing essential oil                                | 200810200079.7 | China  | Invention         | 2012/11/28 | Certification |
| Concentrated orange juice composition : an orange base by adding emulsified essential oil and proportional concentrated juice | 200810200080.X | China  | Invention         | 2012/11/28 | Certification |
| Orange flavour beverage : an orange syrup by utilizing emulsified essential oil                                               | 200810200078.2 | China  | Invention         | 2012/11/28 | Certification |
| Orange juice : an orange drinks by utilizing emulsified essential oil                                                         | 200810200077.8 | China  | Invention         | 2012/09/26 | Certification |
| Manufacturing method of acid beverage or acid beverage concentrated juice containing soybean protein and product thereof      | 201110049264.2 | China  | Invention         | 2013/07/08 | Certification |
| Method for using fermented soya bean grease as natural anti-oxidant                                                           | 201210279567.8 | China  | Invention         | 2012/08/08 | Publicized    |
| Extracting and purifying Anthocyanin as a active ingredient of natural anti-oxidant from black soybean hull                   | 201210279566.3 | China  | Invention         | 2012/08/08 | Publicized    |
| Method for removing browning precursors of high fructose syrup                                                                | 201210273339.X | China  | Invention         | 2012/08/02 | Publicized    |
| Circulating water treatment deacidifying system for compressed acid acetic coconuts                                           | 201220376283.6 | China  | Utility Model     | 2013/02/13 | Certification |
| Pill Machine                                                                                                                  | 201220378125.4 | China  | Utility Model     | 2013/02/13 | Certification |
| Vacuum Emulsifying Machine                                                                                                    | 201220376278.5 | China  | Utility Model     | 2013/02/13 | Certification |
| Method for extracting anthocyanidin from aria                                                                                 | 201310118459.7 | China  | Invention         | 2013/06/26 | Reviewing     |
| Jelly heart shape (1)                                                                                                         | 201330112749.1 | China  | Appearance Design | 2013/07/31 | Certification |
| Jelly star shape (1)                                                                                                          | 201330112748.7 | China  | Appearance Design | 2013/08/28 | Certification |

Publicized\*\* ~~ Invention Patent takes 6 years from application to certification

# 1、Innovation & Research Competence, Patent Technology

A one-stop pilot plant for innovative ideas, cost analysis and product completion in 24 hours.



Small sized sample preparation



UHT Equipment for preparing sample



Production parameter confirmation



Aseptic filling for sample products

## 2、Customized & Variety of Product Structure

Grouping 220 product items in average  
by ERP System everyday

Plant Dept. complete production  
in 2 days

Production of 55 product items  
in average everyday

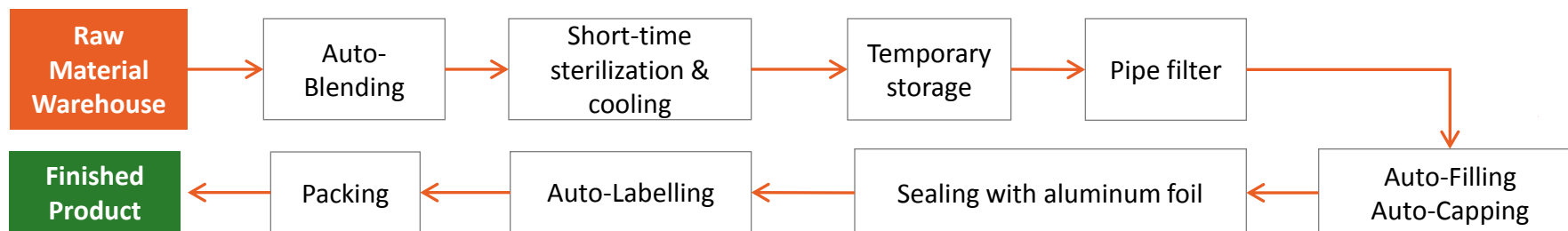
Supply Chain Dept. complete dispatched  
products in 3 days

Dispatch of 546 product item  
for 64 orders  
in average everyday

# 3 、 Cleanliness & Safety Production System (1/5)

## Concentrated Juice Standardized Production Process

Added juice, fructose, Drinking Water, etc.



Auto-Blending Tank



High-time Pasteurization  
Short-time Cooling Machine



Buffer Tank



Pipe filter



Packing



Auto-Labeling Machine



Sealing machine with  
aluminum foil



Auto-Capping Machine

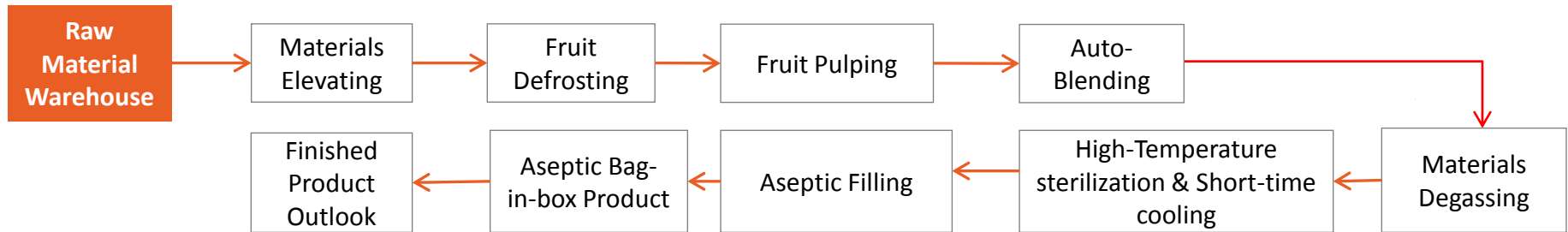


Auto-Filling  
Machine

# 3、Cleanliness & Safety Production System (2/5)

## Concentrated Juice “Cleanliness & Safety” Production Process

Added juice, fructose, Drinking Water, etc.



物料提升



水果解凍



水果打漿



自動調配



成品外包裝



無菌包裝產品



無菌冷灌裝



全自動超高溫  
瞬時殺菌、冷卻



物料脫氣



## 3 、 Cleanliness & Safety Production System (3/5)

### Advantages for High Cleanliness & Safety Production Plant

- 1 、 Increasing daily production capacity to 195MT with 19 Filling Lines & 33 Blending Tanks.
- 2 、 More safety & effective high-temperature sterilization & short-time cooling system
- 3 、 Lowering production cost & increasing production effectiveness by automation process
- 4 、 Preserving new products production space
- 5 、 Aseptic production & filling line for juice with fruit pulp
- 6 、 Constructing a 10,000 level cleanliness & stainless production plant
- 7 、 Set up a production resumes traceability system

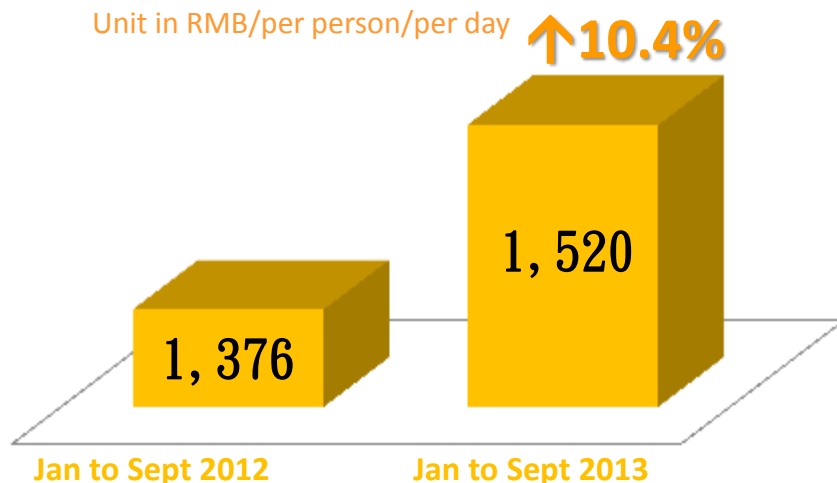
## 3 、 Cleanliness & Safety Production System (4/5)

### Lean Manufacturing Plant (Toyota Production System)

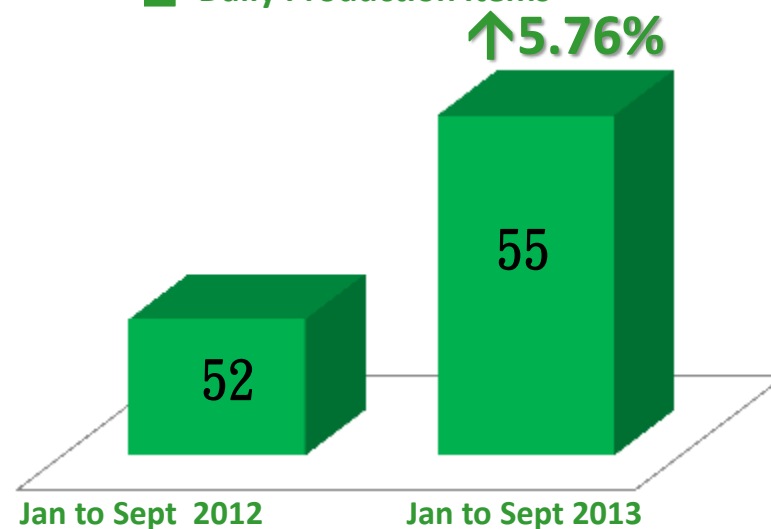
- 1 、 Kanban Management – raising employee's independence
- 2 、 Pullbacks Operation – strengthening monitor for final process
- 3 、 Standard work production – enhancing effectiveness
- 4 、 Introducing ERP system analysis – build up standardized quality standards

#### ■ Average Production Value Per Capita

Unit in RMB/per person/per day



#### ■ Daily Production Items



### Risk Control for Food Safety

#### Company

- (1) Set up a Food Safety Team to deal with emergency food safety issues
- (2) Severe quality control starts from raw materials, production process and finished products
- (3) Third party regular inspection report for finished products
- (4) Conduct the simulation of product recall procedure annually

#### Supplier

- (1) Request raw material inspection report & statement
- (2) Regular supplier assessment & plant visit arrangement

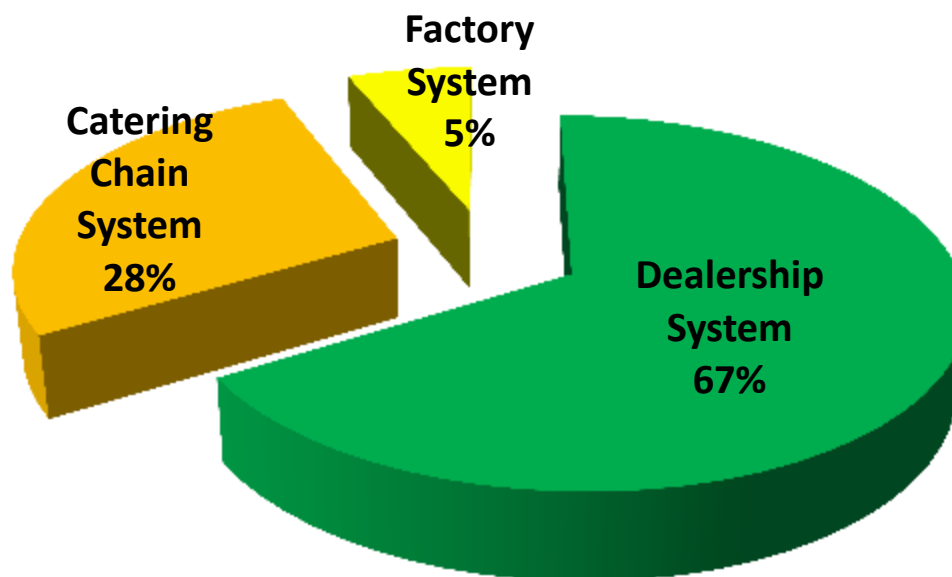
#### Quality Control Unit

- (1) Strengthen communication & feedback timely message to Quality Control Unit
- (2) Taking corresponding action for updated rules & regulations

#### Customer

- (1) Offering customers Product Safety Statement
- (2) Disclosing message regarding company influences will be caused by particular food safety issue

## Customer Base (Jan to Sept 2013)



## 4、Perfection of China's Sales Network System (2/2)

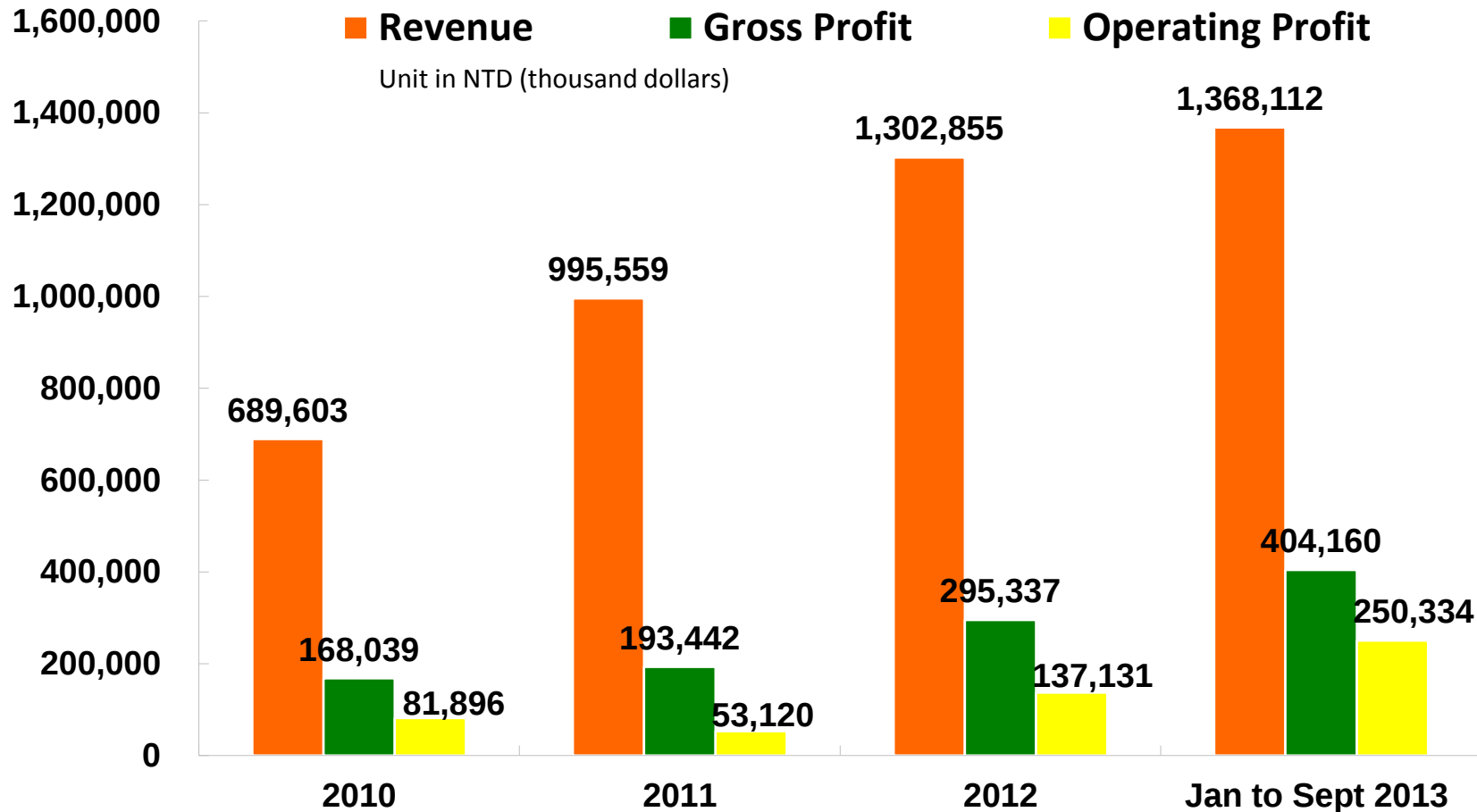
With 160 dealerships locating in China

Constructing a more and more complete sales network system



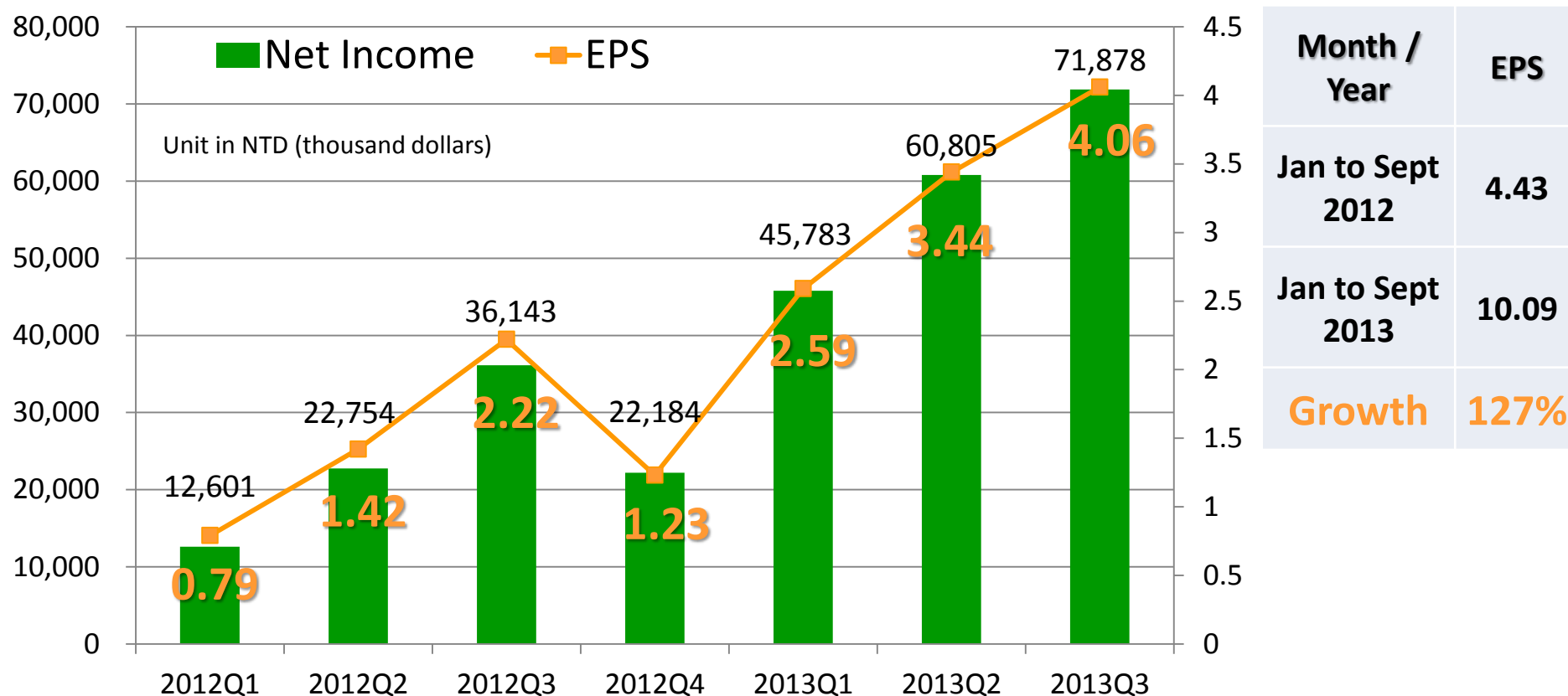
## IV、Operational Performance – Year 2013 Q3

### 1、Recent Revenue & Margin Growths



## IV、Operational Performance – Year 2013 Q3

### 1、2012-2013 Quarterly Net Income & EPS Trend



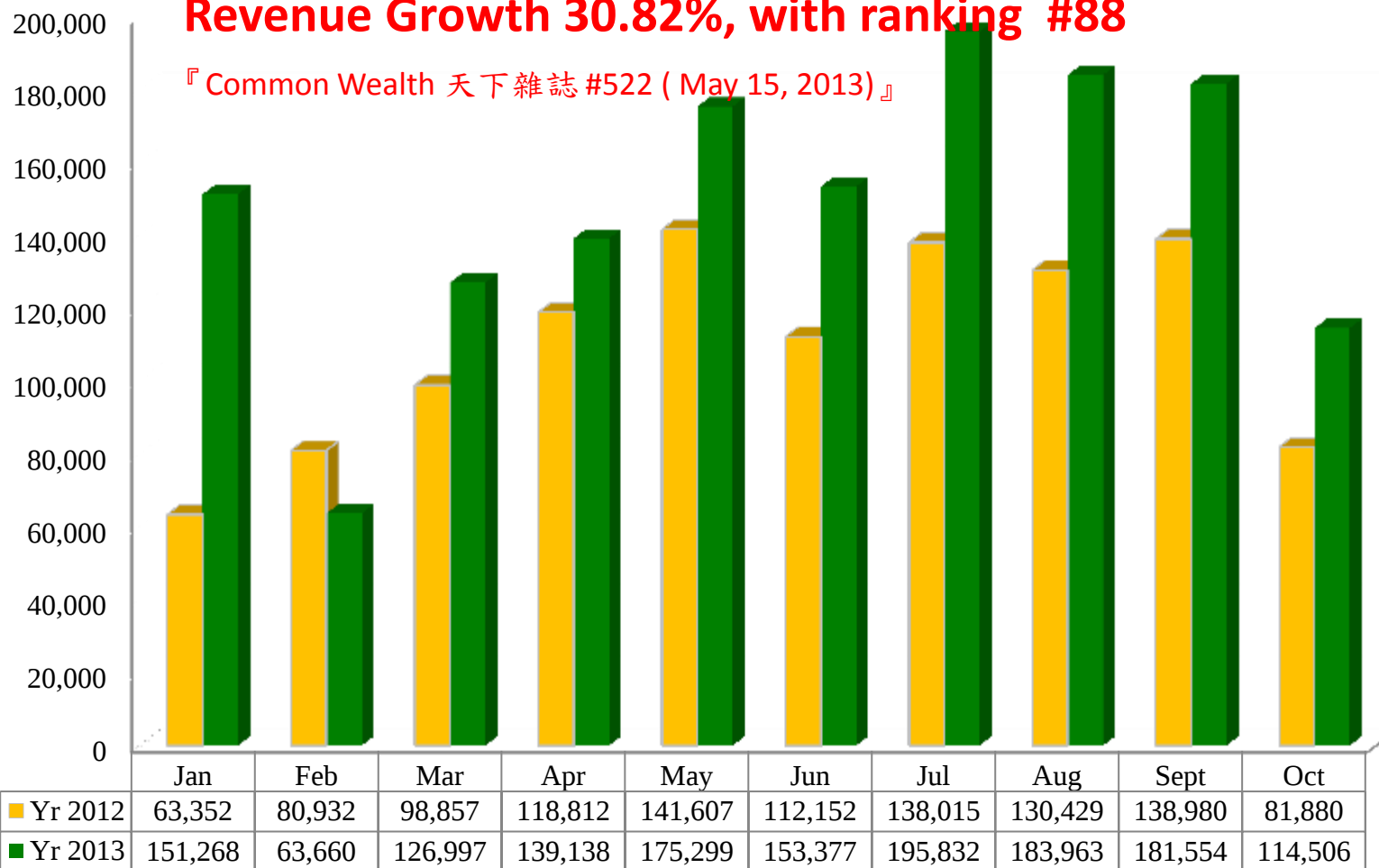
# IV、Operational Performance – Year 2013 Q3

## 3、Jan to Oct 2012 & 2013 Revenue Growth

《Common Wealth 天下雜誌》「Top 2000 Survey」

Revenue Growth 30.82%, with ranking #88

『Common Wealth 天下雜誌 #522 (May 15, 2013)』



| Month | YoY, %  |
|-------|---------|
| Jan   | 138.77% |
| Feb   | -21.34% |
| Mar   | 28.47%  |
| Apr   | 17.11%  |
| May   | 23.79%  |
| Jun   | 36.76%  |
| Jul   | 41.89%  |
| Aug   | 41.04%  |
| Sept  | 30.63%  |
| Oct   | 39.85%  |

Unit in NTD (thousand dollars)

## 4 、 Revenue Report for October 2013

| Items                                 | NTD (thousand dollars) | RMB (thousand dollars) | Exchange Rate |
|---------------------------------------|------------------------|------------------------|---------------|
| Oct 2013                              | 114,506                | 23,739                 | 4.8235        |
| MoM Change                            | 81,880                 | 17,514                 | 4.6750        |
| MoM Change, Amount                    | 32,626                 | 6,225                  |               |
| MoM Change, %                         | 39.85%                 | 35.54%                 |               |
| Current year cumulative               | 1,483,472              | 307,474                | 4.8247        |
| Last year cumulative                  | 1,110,034              | 236,782                | 4.6880        |
| YoY Change, Amount                    | 373,438                | 70,692                 |               |
| YoY Change, %                         | 33.64%                 | 29.86%                 |               |
| Exchange rate of current month        |                        | 4.8235                 |               |
| Cumulative exchange rate of this year |                        | 4.8247                 |               |

## 5 、 Consolidated Balance Sheet Summary

Unit in NTD (thousand dollars)

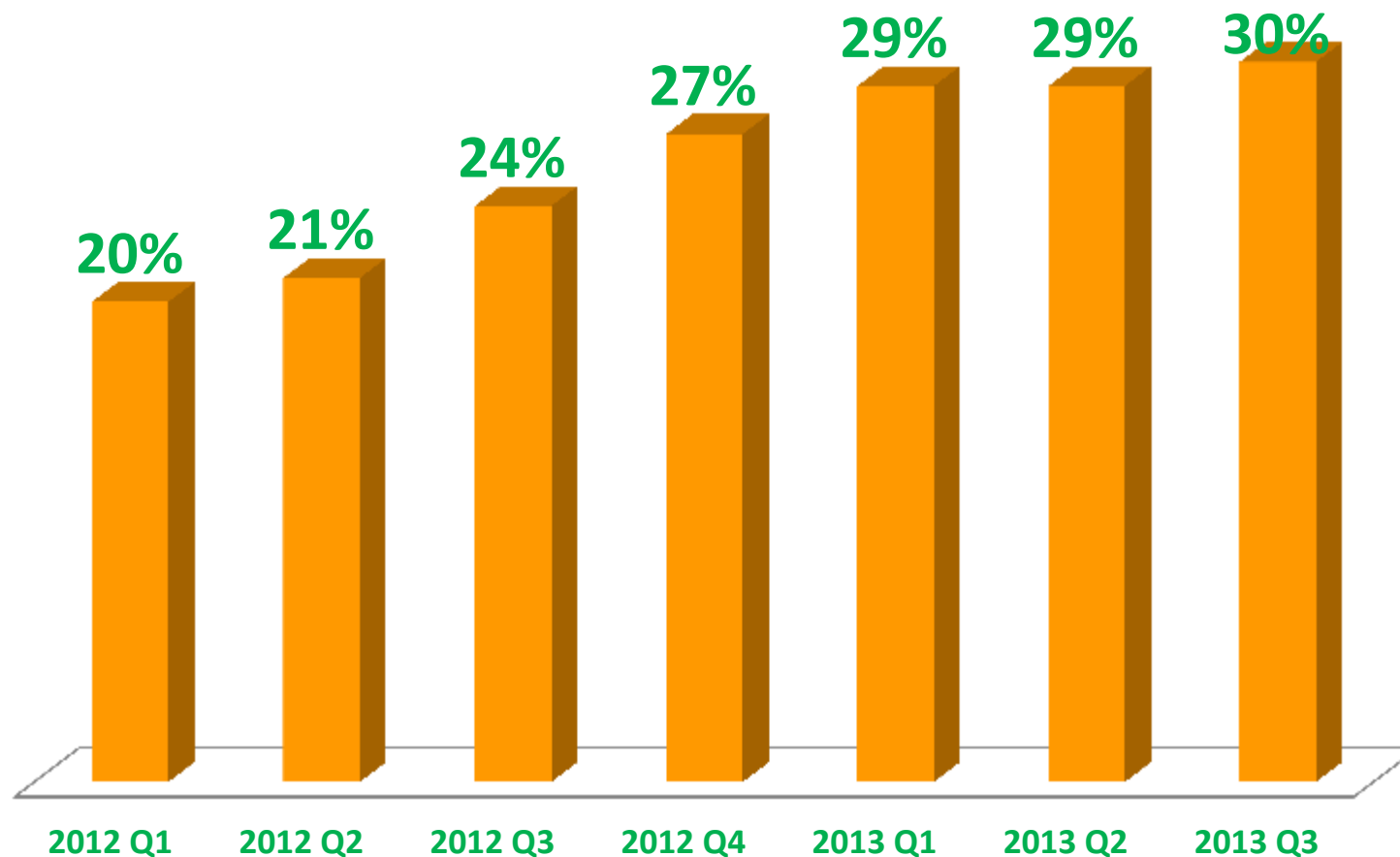
|                             | Q3, 2012       | %          | Q3, 2013         | %          |
|-----------------------------|----------------|------------|------------------|------------|
| Cash                        | 277,467        | 38         | 423,590          | 40         |
| Common Stock                | 77,034         | 10         | 88,930           | 8          |
| Current Assets              | 484,265        | 66         | 721,053          | 68         |
| Fixed Assets                | 222,421        | 30         | 267,820          | 25         |
| <b>Total Assets</b>         | <b>732,792</b> | <b>100</b> | <b>1,064,454</b> | <b>100</b> |
| Current Liabilities         | 317,975        | 43         | 443,676          | 42         |
| Long-term Liabilities       | 0              | 0          | 0                | 0          |
| <b>Total Liabilities</b>    | <b>324,420</b> | <b>44</b>  | <b>474,053</b>   | <b>45</b>  |
| <b>Shareholders' Equity</b> | <b>408,372</b> | <b>56</b>  | <b>590,401</b>   | <b>55</b>  |

## 6 、 Consolidated Income Statement Summary

Unit in NTD (thousand dollars)

|                                | Q3, 2012 | Q3, 2013 | Change % |
|--------------------------------|----------|----------|----------|
| Net Sales                      | 407,494  | 558,784  | 37%      |
| Gross Profit                   | 96,635   | 168,652  | 75%      |
| Operating Expense              | 42,047   | 61,510   | 46%      |
| Operating Income               | 54,588   | 107,142  | 96%      |
| Non-operating Income (Expense) | 3,941    | 2,373    | -40%     |
| Income before Tax              | 58,529   | 109,515  | 87%      |
| Net Income                     | 36,143   | 71,878   | 99%      |
| Gross Margin                   | 24%      | 30%      |          |
| Operating Margin               | 13%      | 19%      |          |
| Net Margin                     | 9%       | 13%      |          |
| Earnings Per Share (EPS)       | 2.22     | 4.06     |          |

### 7、Quarterly Gross Margin Growth Trend (Y2012-Y2013)



### 8 、 Major influencing factors for increasing Gross Margin (Jan to Sept 2013)

| Influencing Factors | Proportion % |
|---------------------|--------------|
| Production Aspects  | 40%          |
| Sales Aspects       | 60%          |

- 1 、 Production Management : Toyota Production System
- 2 、 Strategic Partners : Fructose, Fruit Juice, Frozen Fruits, etc.
- 3 、 Supply Chain Management : High turnover volume, Machinery for loading/unloading
- 4 、 Promotion for sales of portfolio in high profit margin products

## 9 、 Accounts Receivable Analysis & Proportion

With effective accounts receivable control & perfection of dealership management system, we have almost zero bad debts in recent fiscal years.

Unit in NTD (thousand dollars)

| Item            | Y2010   | Y2011   | Y2012     | Jan to Sept.<br>2013 |
|-----------------|---------|---------|-----------|----------------------|
| Net Sales       | 689,603 | 995,559 | 1,302,855 | 1,368,112            |
| Bad Debts Ratio | 0.00%   | 0.01%   | 0.00%     | 0.00%                |



## V、 Drivers of Growth

- 1、 Catering Chain System customers accelerates growth on their expansion plans**
- 2、 Deep cultivation of Factory System customers**
- 3、 Complete the sales network with Dealership System customers**

## V、Drivers of Growth - Catering Chain System customers (1/3)

Building up cooperative relationship with their first store and growth together



UES (有意思) - about 405 stores in China



Happy Lemon (快樂檸檬) - about 360 stores in China



CoCo (都可) - - about 800 stores in China



Gourmet Master (85度C) - about 390 stores in China

# V、Drivers of Growth - Catering Chain System customers (2/3)

National Catering Chain System Customers With 38 brands & 8,300 stores



## Chinese Restaurant Layout Strategy

Promotion of a series of traditional flavor drinks to develop the Chinese Restaurant potential drinks market

### 永和大王



Winter Melon Tea

Lemon Juice

### 集集小鎮



Waxberry Juice

Can & Water Chestnuts Tea

### 味千拉麵



Citron Tea

Peach Juice

### 川味觀



Kumquat Lemon Juice

Orange Juice

### 渝鄉辣婆婆



Chinese Herbal Tea

Chrysanthemum Pear

### 外婆家



Kumquat Lemon Juice

Mango Juice

### 代官山



Kumquat Lemon Juice

Mango Smoothie

### 漢拿山



Cherry & Berry Juice

Can & Water Chestnuts Tea

### 各地成功案例



Winter Melon Tea

Sour Waxberry lemon Juice



## V、Drivers of Growth - Factory System customers (1/2)

### Deep cultivation of Factory System customers

| Logo                                                                                | Factory Customer                               | Date of Certification |
|-------------------------------------------------------------------------------------|------------------------------------------------|-----------------------|
|    | China Mengniu Dairy Company Limited            | 2013.03.11            |
|    | Shandong Deyi Dairy Co., Ltd.                  | 2012.12.05            |
|    | Dairy Queen(DQ) – Shanghai region              | 2012.10.23            |
|    | Shijiazhuang Junlebao Dairy Co., Ltd           | 2012.07.25            |
|    | Fu Jian Chang Fu Niu Nai Incorporated          | 2012.07.11            |
|    | China Mengniu Dairy Company Limited            | 2012.03.26            |
|    | OKULIN Enterprises Co., Ltd.                   | 2011.11.03            |
|   | Kraft Foods China (now call Mondelēz China)    | 2011.08.19            |
|  | Inner Mongolia Yili Industrial Group Co., Ltd. | 2011.06.30            |
|  | Rich Products Corporation (Suzhou)             | 2010.08.12            |
|  | Unilever China                                 | 2010.06.15            |

## Factory System Customers — Fresh & Natural Puree Series

Fresh & natural fresh fruit processing integrate with product resume shaping a new market trend



草莓種植基地

Strawberry Plant



UHT超高溫殺菌機

Ultra-High Temperature Sterilizer



BIB無菌袋包裝

BIB Aseptic Bag



草莓原漿外包裝

Strawberry  
Puree  
Package



# V、Drivers of Growth - Dealership System customers (1/3)

## Growth Map Of Major Cooperative Dealership Customers

Beijing, 6 yrs.

1 北京  
合作時間: 六年



Guangdong, 13 yrs.

2 廣東  
合作時間: 十三年



Shandong, 5 yrs.

3 山東  
合作時間: 五年



Fujian, 13 yrs.

4 福建  
合作時間: 十三年



Hubei, 6 yrs.

5 湖北  
合作時間: 六年



Shanghai, 9 yrs.

6 上海  
合作時間: 九年



Sanxi, 6 yrs.

7 陝西  
合作時間: 六年



Liaonin, 6 yrs.

8 遼寧  
合作時間: 四年



Jiangsu, 6 yrs.

9 江蘇  
合作時間: 四年



Hunan, 6 yrs.

10 湖南  
合作時間: 六年



# V、Drivers of Growth - Dealership System customers (2/3)

## Technical Exchange & Product Promotion Fair

A total of 35 promotion fairs was organized to 7,600 person-time this year

|              |     |           |                                                                                     |
|--------------|-----|-----------|-------------------------------------------------------------------------------------|
| Jiangsu      | 江蘇  | 推廣場次: 10場 |    |
| Zhejiang     | 浙江  | 推廣場次: 5場  |    |
| Heilongjiang | 黑龍江 | 推廣場次: 4場  |    |
| Shandong     | 山東  | 推廣場次: 1場  |    |
| Fujian       | 福建  | 推廣場次: 1場  |    |
| Guangdong    | 廣東  | 推廣場次: 1場  |   |
| Shanxi       | 山西  | 推廣場次: 2場  |  |
| Liaoning     | 遼寧  | 推廣場次: 1場  |  |



|         |    |          |                                                                                     |
|---------|----|----------|-------------------------------------------------------------------------------------|
| Ningxia | 寧夏 | 推廣場次: 1場 |  |
| Hunan   | 湖南 | 推廣場次: 1場 |  |
| Henan   | 河南 | 推廣場次: 1場 |  |
| Yunnan  | 雲南 | 推廣場次: 1場 |  |
| Guizhou | 貴州 | 推廣場次: 1場 |  |



近四年技術交流會概況

單位: 人民幣萬元

| 年度    | 場數 | 贊助費     | 參與人數 |
|-------|----|---------|------|
| 2010年 | 17 | 452,990 | 3000 |
| 2011年 | 19 | 486,386 | 3850 |
| 2012年 | 29 | 773,025 | 5600 |
| 2013年 | 35 | 969,202 | 7600 |

# V、Drivers of Growth - Dealership System customers (3/3)

## Development map with local catering chain system customers

37 representative brands with over 7,000 stores

### 1 山東 Shandong



### 2 湖南 Hunan



### 3 陝西 Sanxi



### 4 湖北 Hubei



### 5 廣東 Guangdong



### 6 遼寧 Liaoning



### 7 北京 Beijing



### 8 江蘇 Jiangsu



### 9 上海 Shanghai



### 10 福建 Fujian



註：上述品牌排名不分先後



## VI、 Business Philosophy

Freshness

Sunshine

Safety

Delicacy



# Thank you for your kind attention!



**Stock Code: 1256**