



Stock Code: 1256

永續經營 Corporate Social Responsibility (CSR)

鮮活控股股份有限公司

Sunjuice Holdings Co., Limited

Presenter : Gary Huang, President

Date : 25th August, 2016





Presentation Agenda

- I 、 Company Profile Overview**
- II 、 Year 2016 H1 Operational Performance**
- III 、 Catering Industry & Market Overview**
- IV 、 Competitive Advantages**
- V 、 Business Report**
- VI 、 Future Development Strategy**
- VII 、 Corporate Social Responsibility**



I 、 Company Profile Overview - Factory Fact



(Kunshan)



(Tianjin)



(Guangdong)

Land Area: 33,333 Sq. Meters

33,329 Sq. Meters

30,458 Sq. Meters

Factory Area: 16,600 Sq. Meters

5,945 Sq. Meters

4,846 Sq. Meters

Staff: 387 employees

56 employees

55 employees

Capacity: 55,000 MT/Year

10,000 MT/Year

10,000 MT/Year

(Company Staff as of 31st July, 2016)



I 、 Company Profile Overview - History

- Feb 1998** Fresh Life (Kunshan) Food Industry Co., Ltd. was established at Kunshan City, Suzhou, China.
- May 2010** Being one of the qualified supplier 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, Kunshan.
- Mar 2011** Officially relocated to the new plant at JuJin Road, Zhangpu Township, Kunshan, Suzhou.
- Sept 2011** Fresh Juice accredited to Industrialization of Suzhou's Leading Agricultural Businesses.
- Sept 2012** Sunjuice Holdings Co., Ltd. was officially listed at Taipei Exchange (TPEX).
- Feb 2013** Certified as the "2012 Suzhou Famous Brand Product" by the People's Government of Suzhou Municipality.
- Dec 2013** Fresh Juice certified as Jiangsu Province's "Agricultural Science and Technology Enterprise".
- Jun 2014** Awarded "Progress Prize in Scientific and Collective Technology" by Kunshan Government.
- Dec 2014** Awarded "Carbon Footprint Certification" by China Quality Certificate Center (CQC).
- Jan 2015** Fresh Juice Industry (Tianjin) awarded QS certification.
- Jun 2015** Guangdong Fresh Juice Biotechnology Co., Ltd. awarded QS certification.
- Aug 2015** Awarded 2015 CSR Corporate Giant Little Giant by Taiwan Common Wealth Magazine.
- Mar 2016** Sunjuice Holdings Co., Ltd. was officially listed at Taiwan Stock Exchange (TWSE) .
- Aug 2016** Awarded 2016 CSR Corporate Giant Little Giant by Taiwan Common Wealth Magazine.



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.

一、果汁類產品 Concentrated Juice



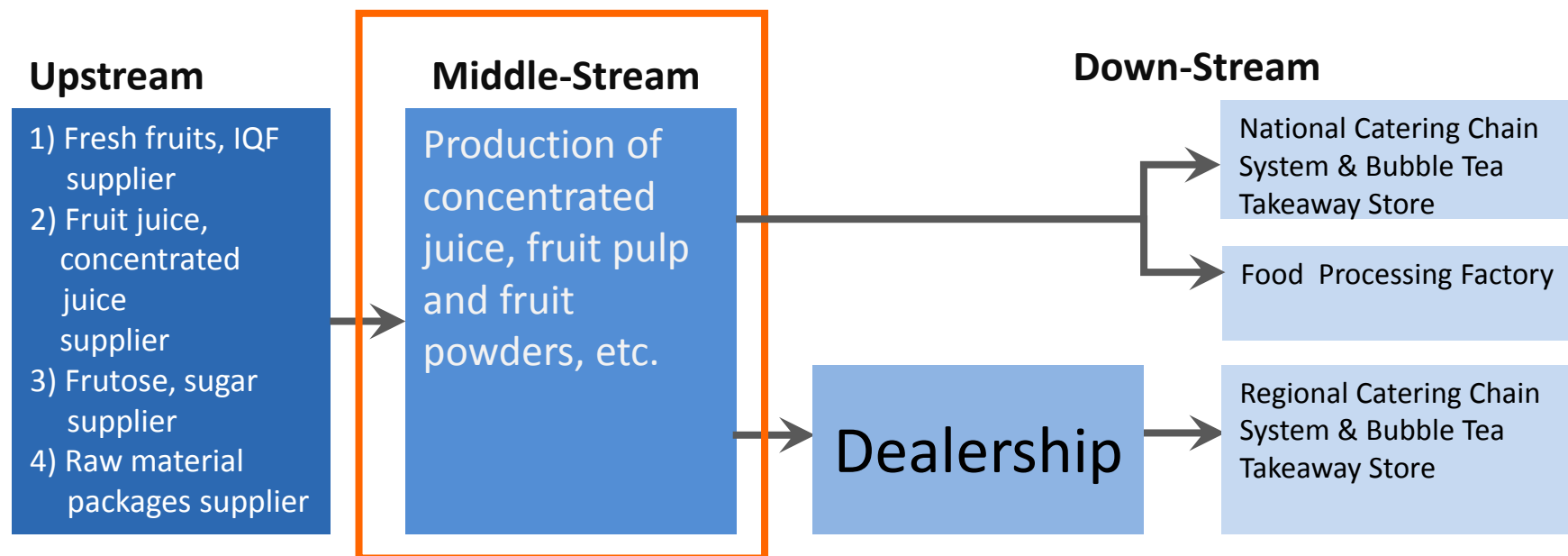
二、果粒類產品 Fruit Jam/Pulp



三、果粉類產品 Fruit Powder



Market Position :

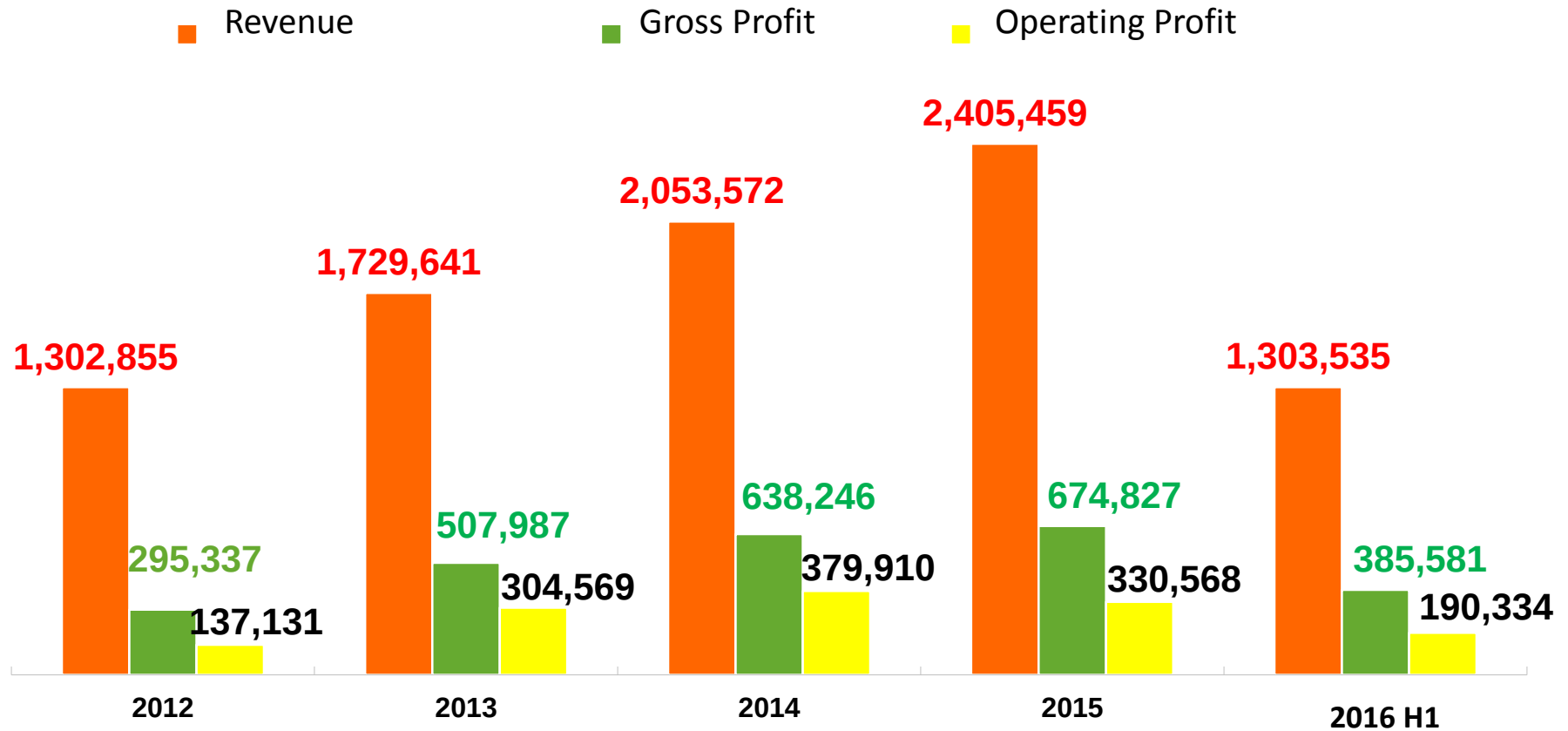


■ Our company is located in Middle Stream. As a raw materials supplier for non-packed & prepared juice drinks **other than packed juice drink for end consumer market.**



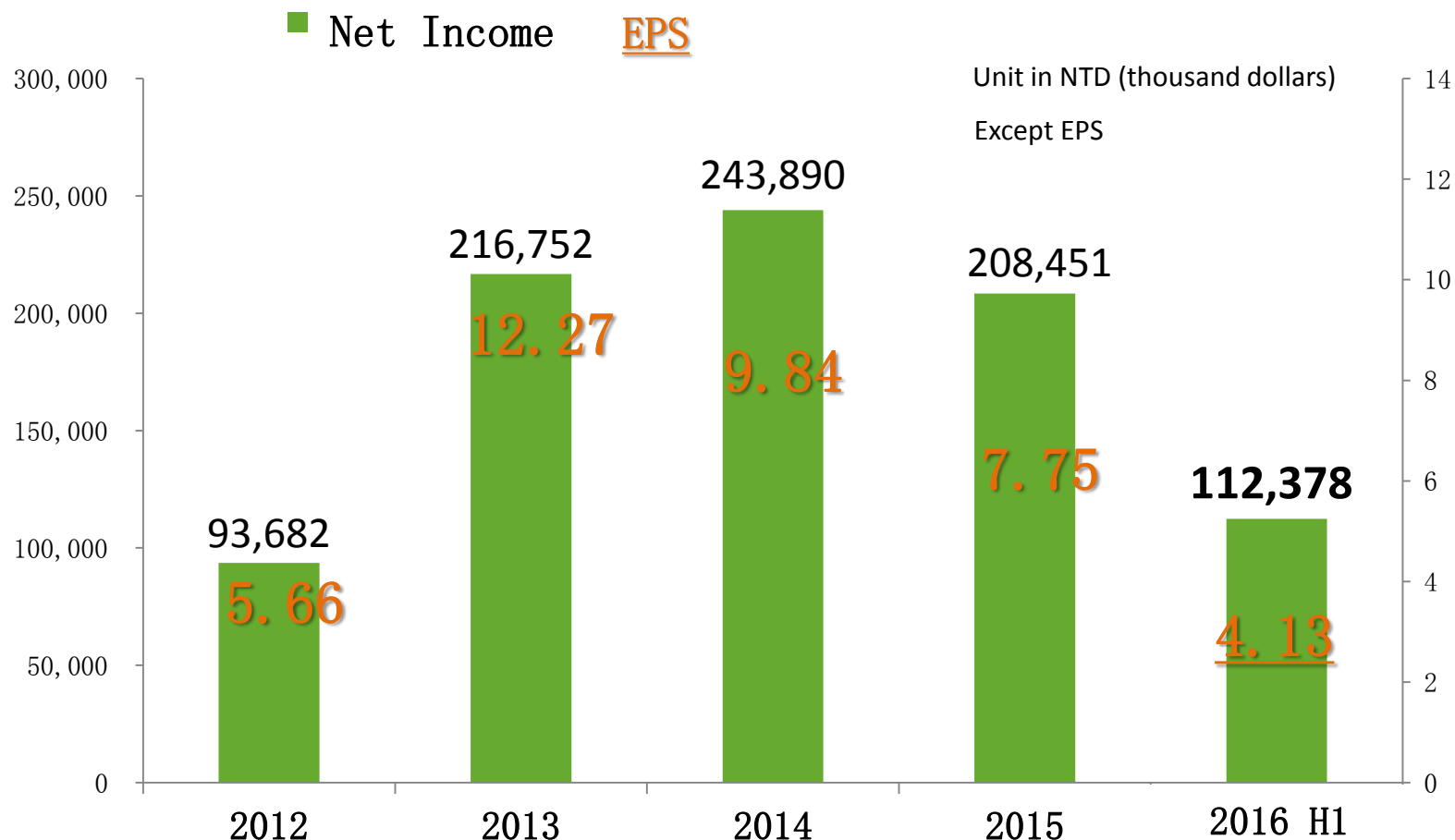
II、Year 2016 H1 Operational Performance (1/7)

1、Recent Years' Revenue & Margin Growths



Unit in NTD (thousand dollars)

2、2012-2016H1 Annual Net Income & EPS Trend





II、Year 2016 H1 Operational Performance (3/7)

3、Monthly Revenue for July 2016

Items	NTD (thousand dollars)	RMB (thousand dollars)
July 2016	287,373	59,841
July 2015	231,460	46,185
MoM Change, Amount	55,913	13,656
MoM Change, %	24.16%	29.57%
Current year cumulative	1,595,136	320,927
Last year cumulative	1,418,695	287,354
YoY Change, Amount	176,441	33,573
YoY Change, %	12.44%	11.68%
Exchange rate of current month		4.8023
Exchange rate of accumulated months		4.9704



II、Year 2016 H1 Operational Performance (4/7)

4、Consolidated Balance Sheet Summary

Unit in NTD (thousand dollars)

	2015.06.30	%	2016.6.30	%
Cash and Cash Equivalents	335,528	20	706,111	37
Inventories	184,956	11	224,222	12
Current Assets	1,086,492	64	1,299,601	67
Fixed Assets	399,641	24	459,377	24
Total Assets	1,685,173	100	1,928,996	100
Current Liabilities	791,995	47	956,226	50
Long-term Liabilities	81,552	5	120,380	6
Total Liabilities	873,547	52	1,076,606	56
Shareholders' Equity	811,626	48	852,390	44



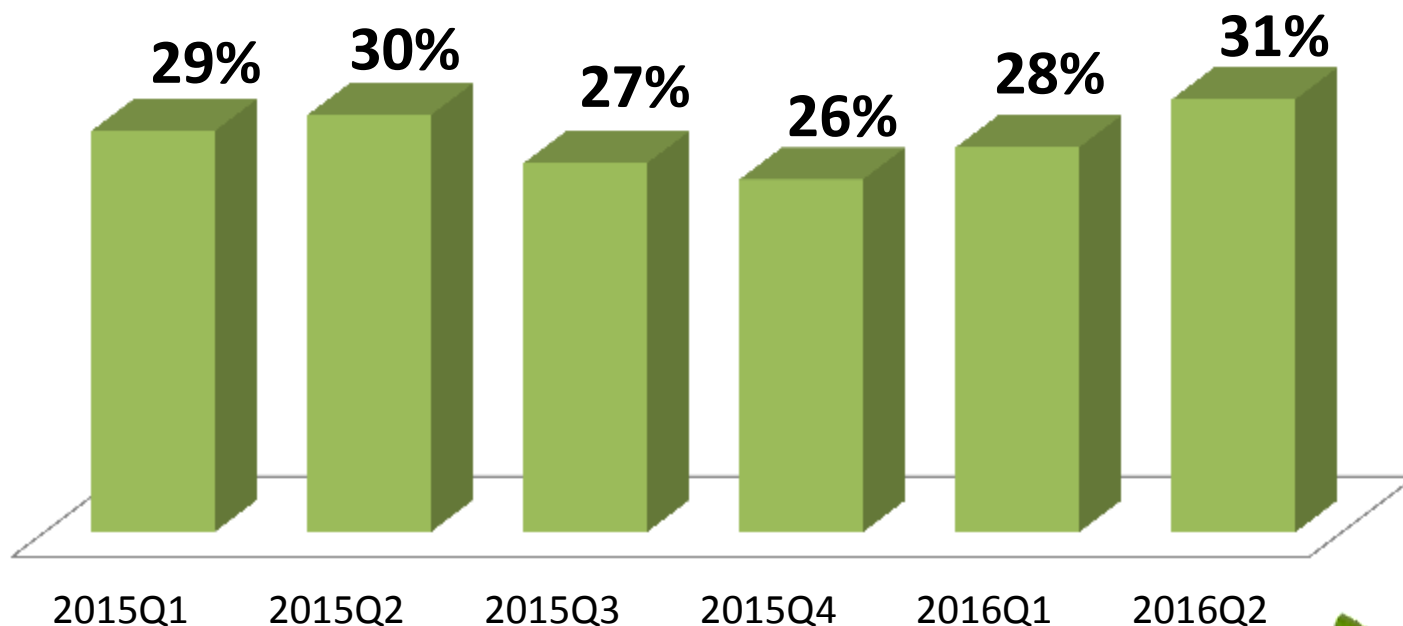
II、Year 2016 H1 Operational Performance (5/7)

5、Consolidated Income Statement Summary

Unit in NTD (thousand dollars)

	2015 H1	2016 H1	Change %
Net Sales	1,207,503	1,303,535	8%
Gross Profit	356,367	385,581	8%
Operating Expense	162,820	195,247	20%
Operating Income	193,547	190,334	-2%
Non-operating Income	6,065	8,276	36%
Non-operating Expenses	5,121	21,370	317%
Income before Tax	194,491	177,240	-9%
Net Income	130,610	112,378	-14%
Gross Margin	29%	29%	-
Operating Margin	16%	14%	-
Net Margin	11%	8%	-
Earnings Per Share (EPS)	4.76	4.13	-

6、2015Q1-2016Q2 Gross Margin Growth Trend





II 、 Year 2016 H1 Operational Performance (7/7)

7 、 Accounts Receivable Analysis & Proportion

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

Unit in NTD (thousand dollars)

Item	2012	2013	2014	2015	2016 H1
Net Sales	1,302,855	1,729,641	2,053,572	2,405,459	1,303,535
Bad Debts Amount	0	0	0	0	0

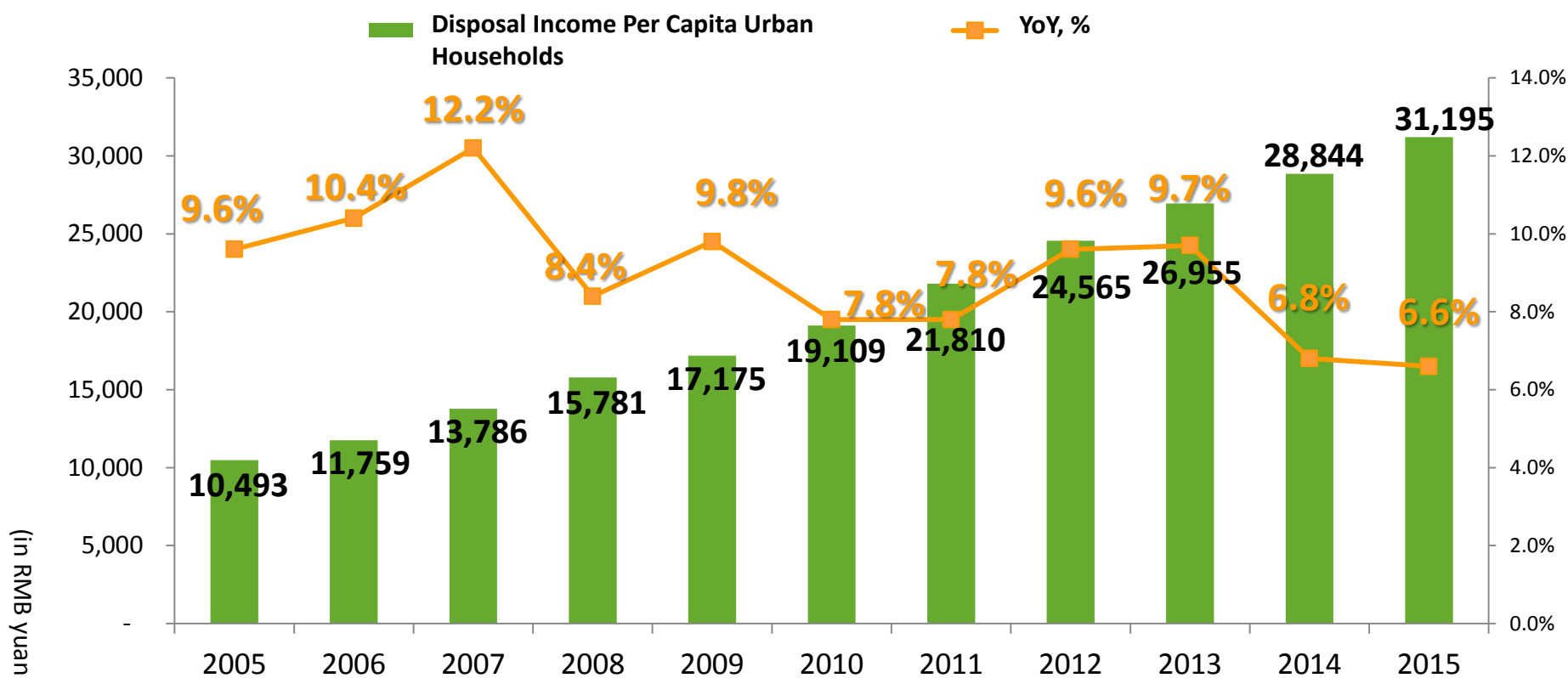


III 、Catering Industry & Market Overview

1 、Recent years growth condition for Disposable Income Per Capita of Urban Households in China

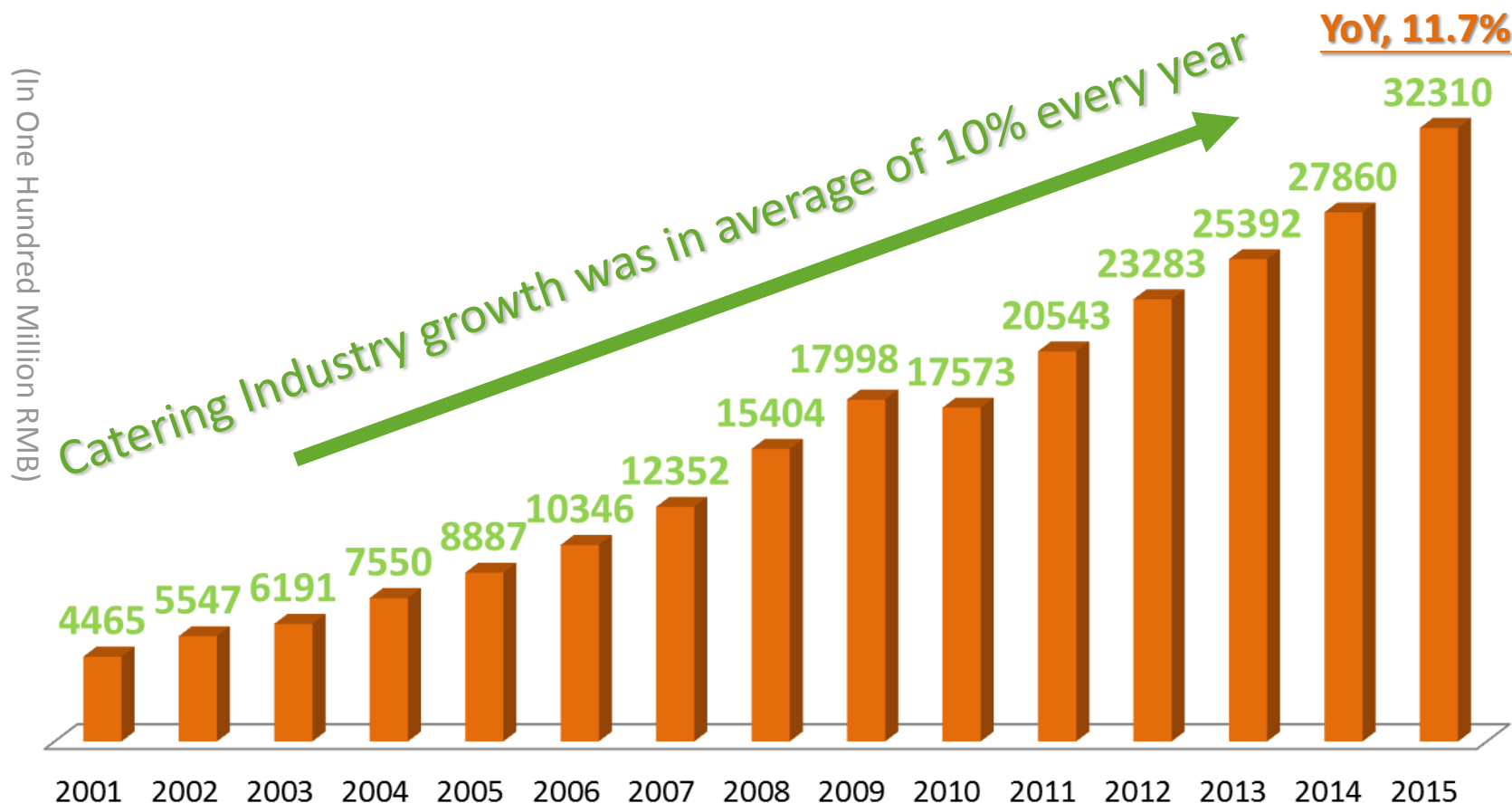
(1) Urban households disposable income in an average of 9% growth every year

(2) Government Incentive Policy on China's residential consumption behavior



Source: PRC Statistical bulletin of national economic and social development (China)

2 、 Annual Scale Growth of China's Catering Industry in 2001 to 2015



Source : National Bureau of Statistics of China, China Cuisine Association (China)
<http://www.ccas.com.cn/Article/HTML/107677.html5442>

IV 、 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、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

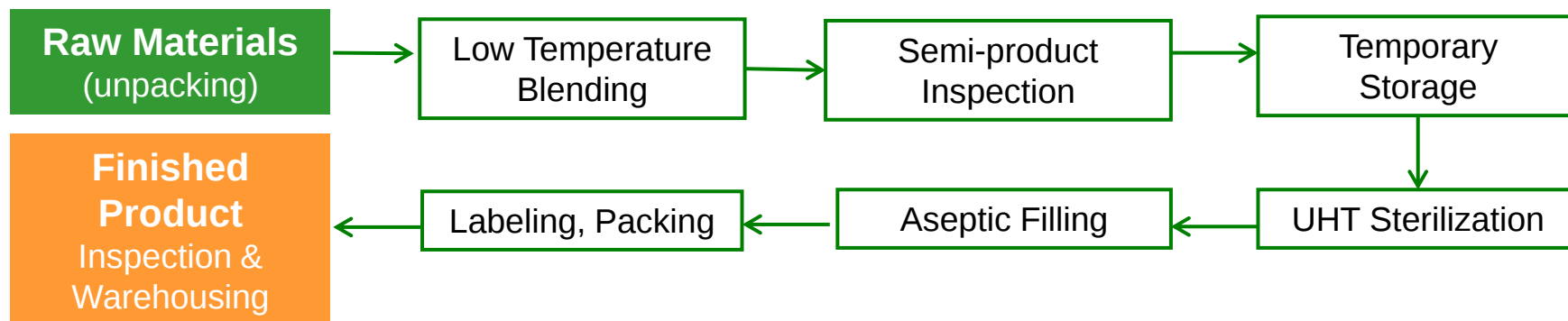


Production parameter confirmation

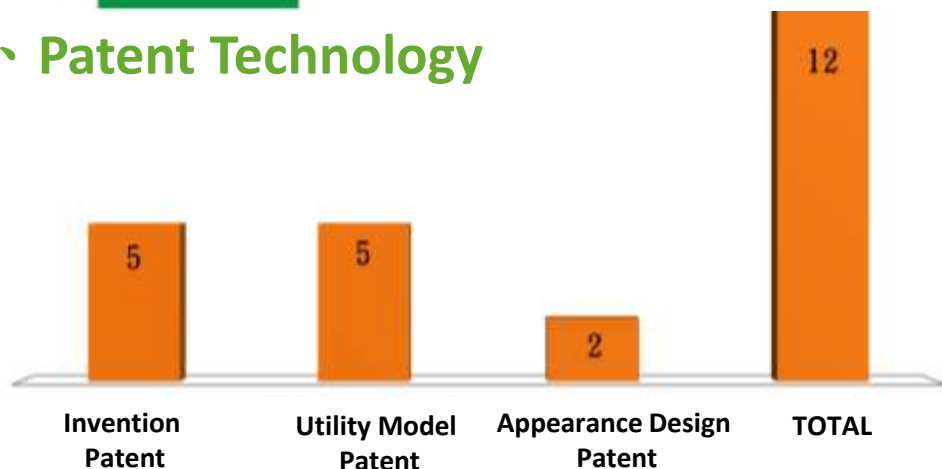


Aseptic filling for sample products

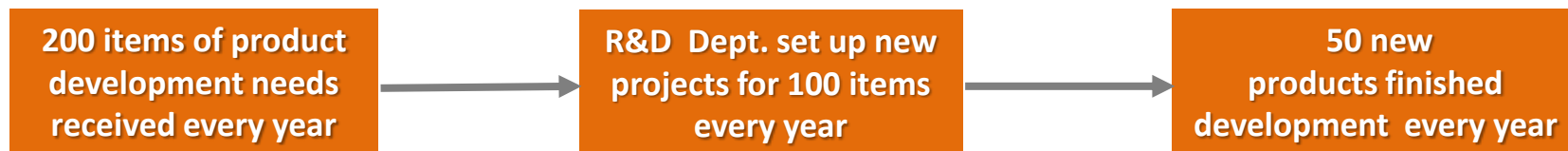
2、Aseptic Filling Standardized Production Process



3、Patent Technology



4、Research Result



5、Core Technology

2014	2015	2016
Rapid Freezing Technology	1. Aseptic Filling Product Line 2. Highly Concentrated Production Technology	MRP & Product Traceability System

2、Customized & Variety of Product Structure

Average Order Received and Dispatched Report Jan to Jul 2016

**Grouping 188 product items in average
by ERP System every month**

Plant Dept. complete
production in 2 days

**Production of 57 product items
in average everyday**

Supply Chain Dept. complete
dispatched products in 3 days

**Dispatch of 825 product item
for 95 orders in average everyday**



Source: Kunshan factory ERP statistics

3 、 Cleanliness & Safety Production System

Lean Manufacturing Plant (Toyota Production System)

- 1 、 Kanban Management – raising employee's independence, E-Kanban enhancing flexibility
- 2 、 ERP system analysis – build up standardized quality standards & production management performance indicators
 - introducing MRP system , elevating production scheduling in 4 hours for delivery order efficiency
- 3 、 Technology application of Product Traceability System by using RFID Technology
- 4 、 Establishment of Traceability & Product Resume System by applying barcode technology

Using barcode & QR code for product traceability management



1. Labelling product barcode

2. Online product scanning

3. Automatic data generation in database

4. Network searching for the traceable product

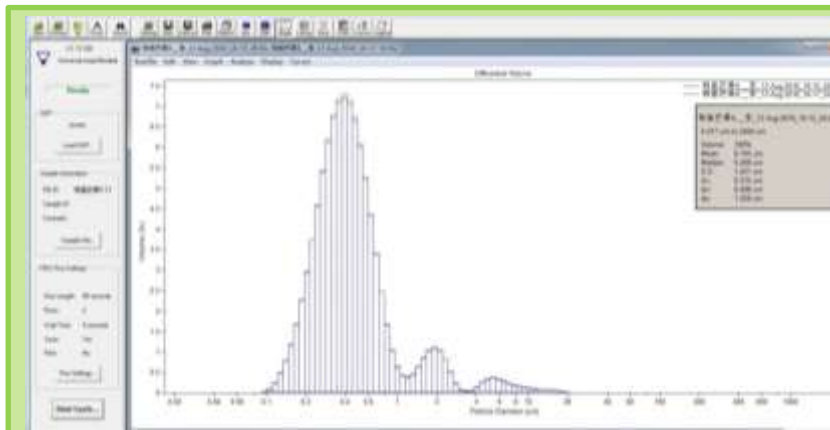
3、Cleanliness & Safety Production System

Set up Laboratory for Food Safety Inspection

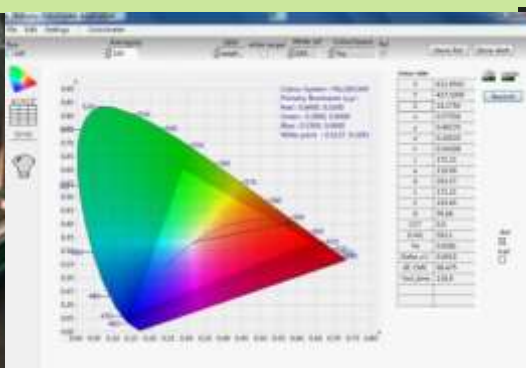
Self inspection & systemized safety evaluation for products and raw materials



(1) Chromatography chamber – Inspection ingredient for Pesticide residue and auxiliary materials



(2) Particle size distribution instrument – monitoring product's homogeneous status and size allocation



(3) Color difference meter – measured product's color



Risk Control for Food Safety – Responsibility for Product & Quality

Company

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

Supplier

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

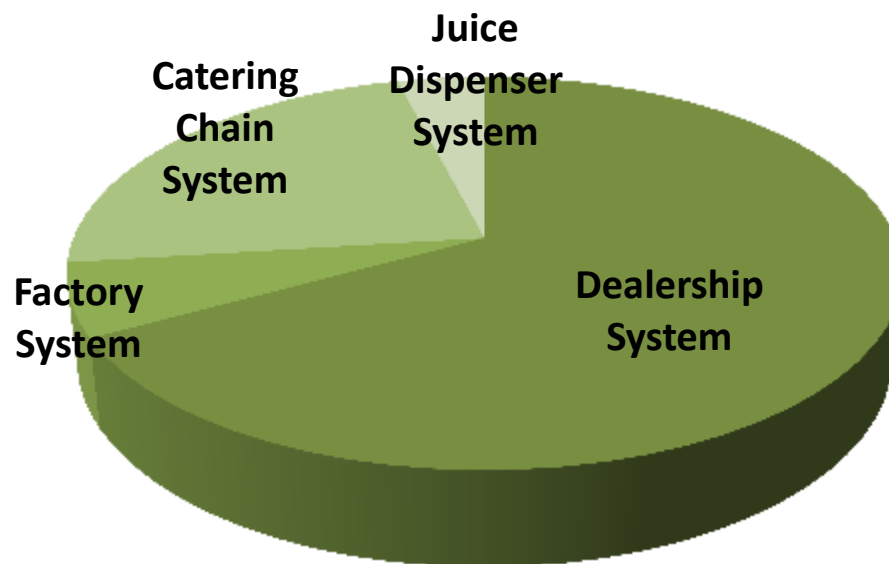
Quality Control Unit

- (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

2016 H1 Customer Base by Sales Volume



- 1、Catering Chain System customers accelerates growth on the mass cuisine market
- 2、Deep cultivation of Factory System customers
- 3、Complete the sales network with Dealership System customers
- 4、Juice Dispenser Market



1、Catering Chain System customers accelerates growth on the mass cuisine market

National Catering Chain System Customers

With 83 brands & 9,430 stores



2、Deep cultivation of Factory System customers

1、Accredited certification from food processing factory



2、Product upgrade strategy drive focus on raw materials selection with high quality standards, better serving local brands





3、Complete the sales network with Dealership System customers

Development map with local catering chain system customers 72 representative brands with over 18,000 stores

1 廣東 Guangdong



2 山東 Shandong



3 福建 Fujian



4 北京 Beijing



5 湖北 Hubei



6 上海 Shanghai



7 浙江 Zejiang



8 江蘇 Jiangsu



9 河南 Hunan



10 遼寧 Liaoning



11 湖南 Hunan



12 陝西 Sanxi



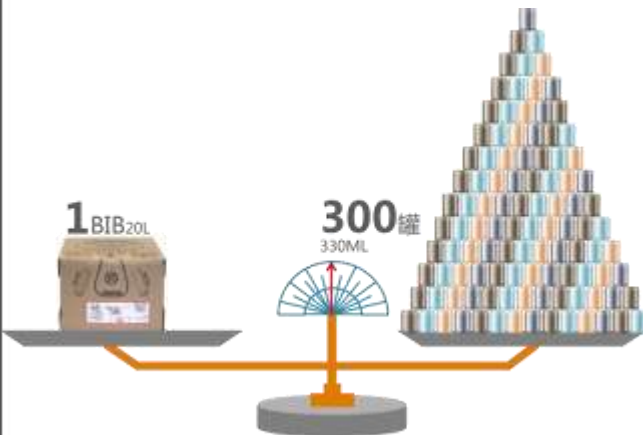


4、Juice Dispenser Market – Business Model of SENSE

光裕堂飲品

Fresh Juice

Manufacturing of Juice related Products



SENSE

Total drink solution design and food safety control



Catering Chain System

Buffet/Fast food/Chinese Restaurant/Hotel



Standardized Drinks Solution via Automatic Machine

- End user protection for food safety issue
- High efficiency in standardization of drinks
- Interactive screen to elevate brand influence by generating higher profits



4、Juice Dispenser Market

光裕堂飲品

Strategic Business Partnership with Cornelius Total Drinks Solution with 360 Degree Drink Safety Concept



Marmon Group is one of Berkshire Hathaway company

- Warren Buffett's world largest financial institution
- Ranking No.3 as "Fortune World's Most Admired Companies"

Marmon Group covers total solution of food technology, drink technology and water technology



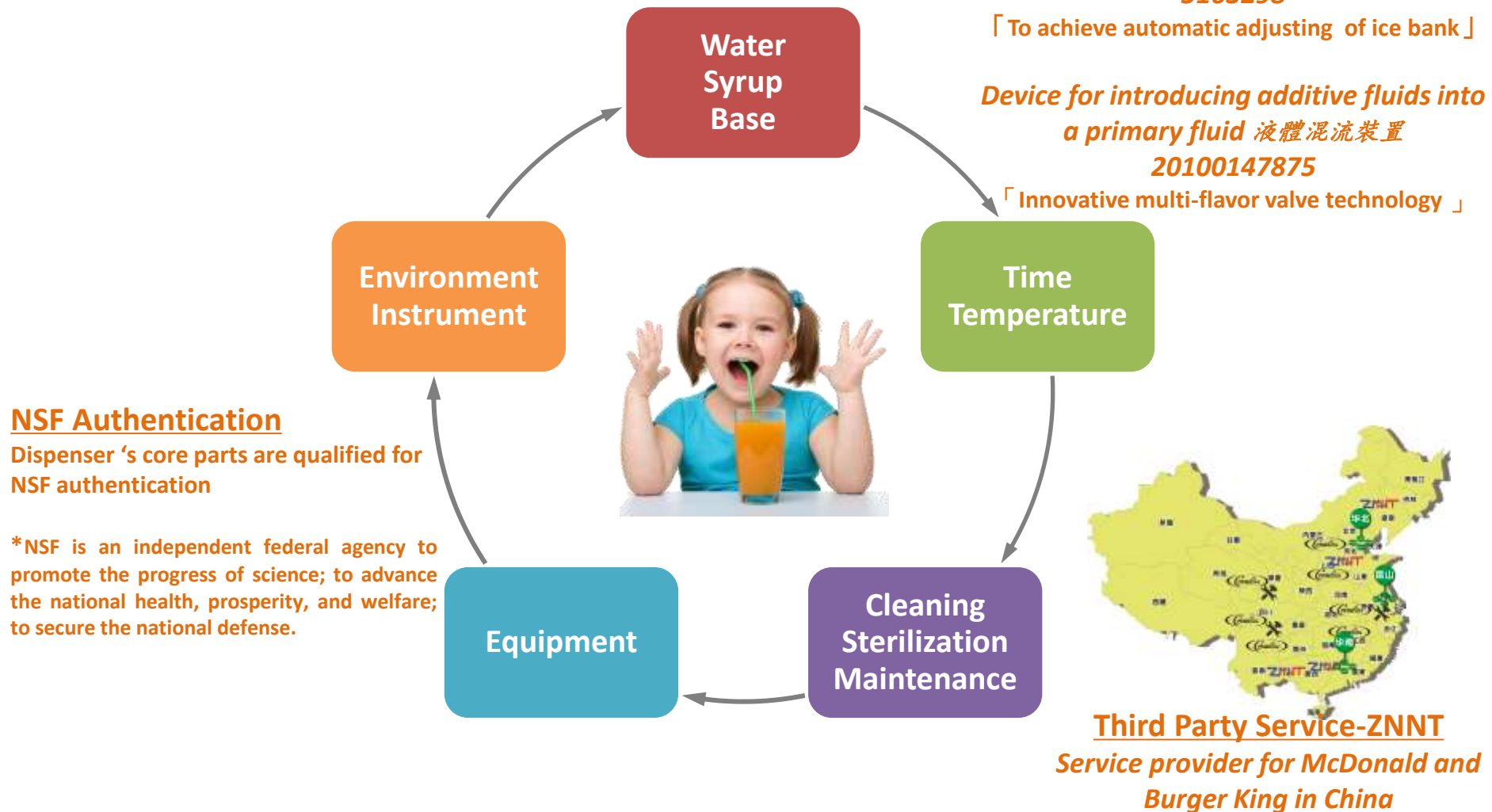
- The 5th contractual strategic partners
- Sharing food safety concept as international brands like McDonald
- Elevating higher level of food safety management by upgrading automatic machine





光裕堂飲品

4、Juice Dispenser Market – 360 Degree Drink Safety Concept





VI、Future Development Strategy

1、Plant Development Plan - Set up production plant in South China & North China

1st phase : Factory Rental (completed)

2nd phase: Self-built Factory Plan

- Closer customer services, JIT production, Cultivated regional market, national resources sharing

2、Duplicate strategy from Kunshan Production Plant

- Local agricultural deep processing
- Being the central kitchen for catering business in drinks market



East China (Kunshan Fresh Juice)

Product Plant

Area : 13,333 Sq. M

Factory : 16,600 Sq. M.

(Raw material warehouse, Finished product warehouse, Production plant, R&D lab, QA lab)

Investment:

Self Built 60 million RMB , Rental 10 million RMB



North China Production Plant – Factory Rental - 2015.1 starting operation

Capacity : 10,000 MT/Year

Average manufacturing product per day: 16 items

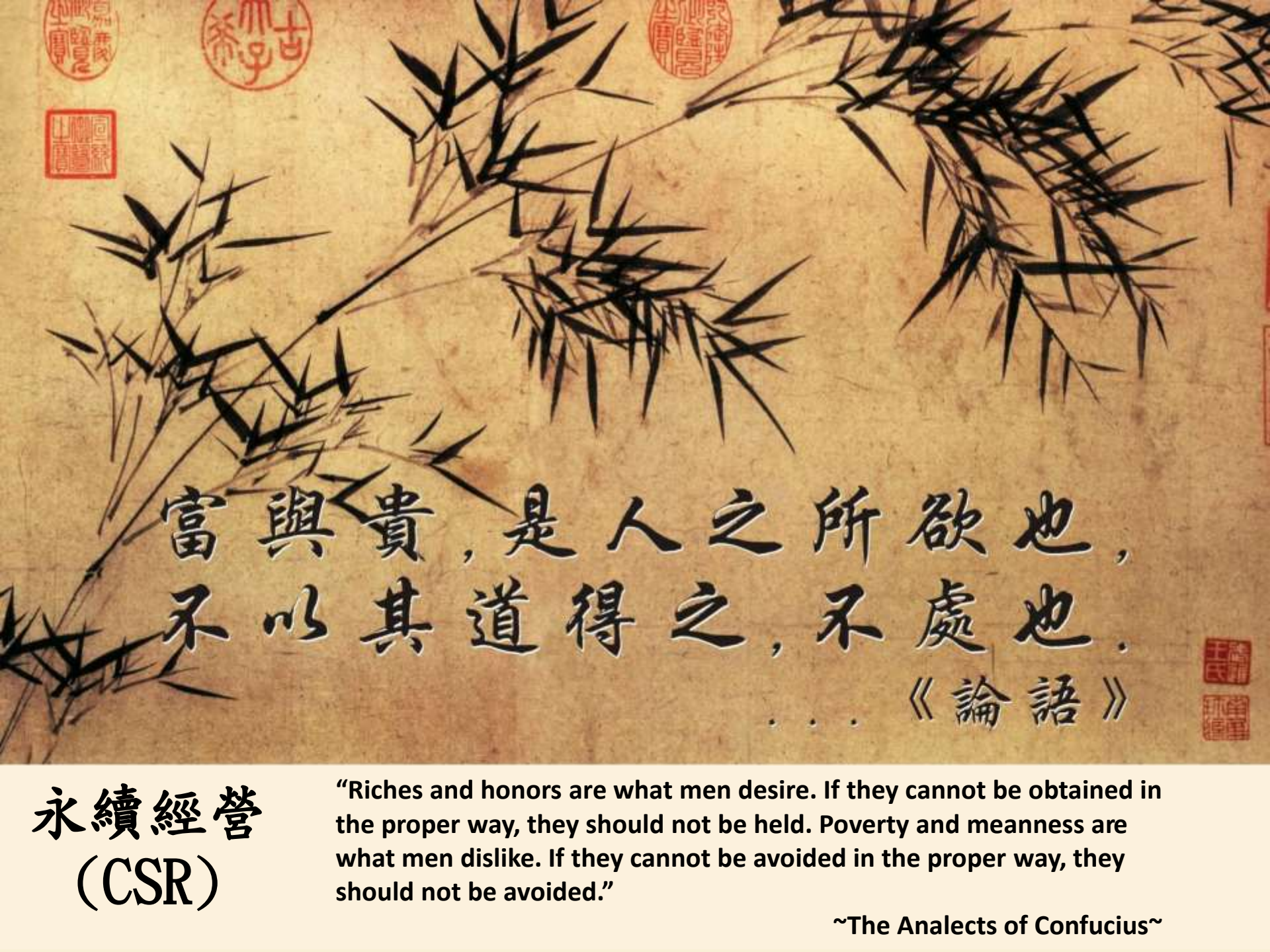


South China Production Plant – Factory Rental - 2015.6 starting operation

Capacity : 10,000 MT/Year

Average manufacturing product per day: 16 items





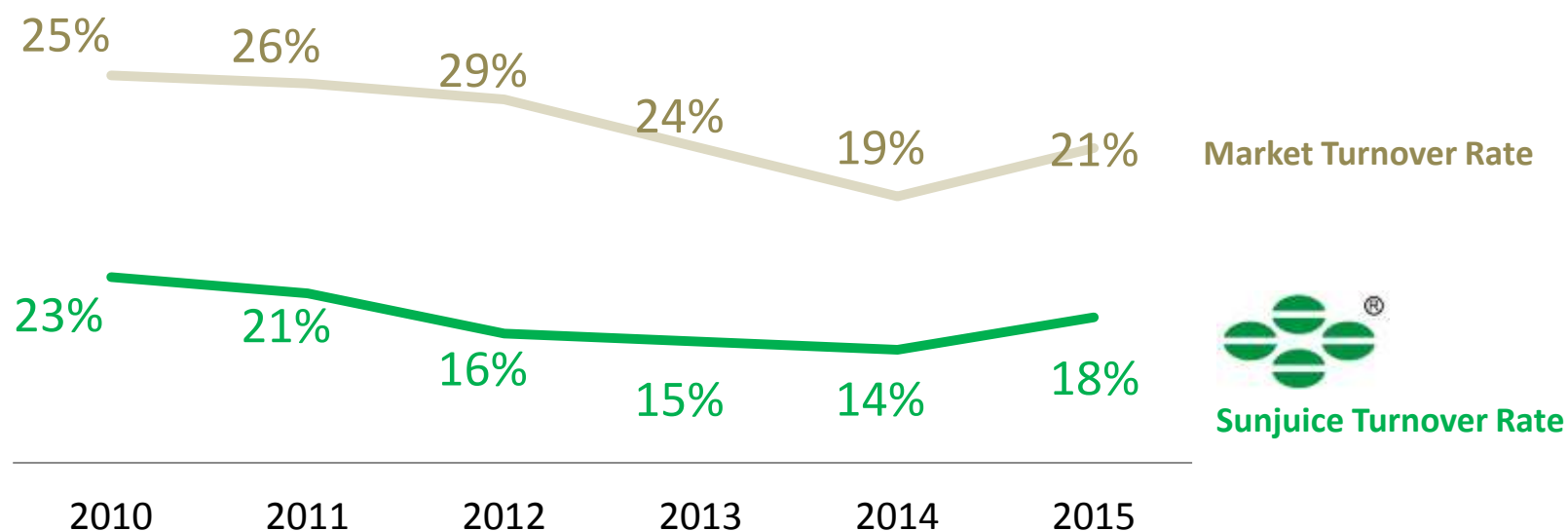
富與貴，是人之所欲也，
不以其道得之，不處也。
《論語》

永續經營
(CSR)

“Riches and honors are what men desire. If they cannot be obtained in the proper way, they should not be held. Poverty and meanness are what men dislike. If they cannot be avoided in the proper way, they should not be avoided.”

~The Analects of Confucius~

Employee Stability



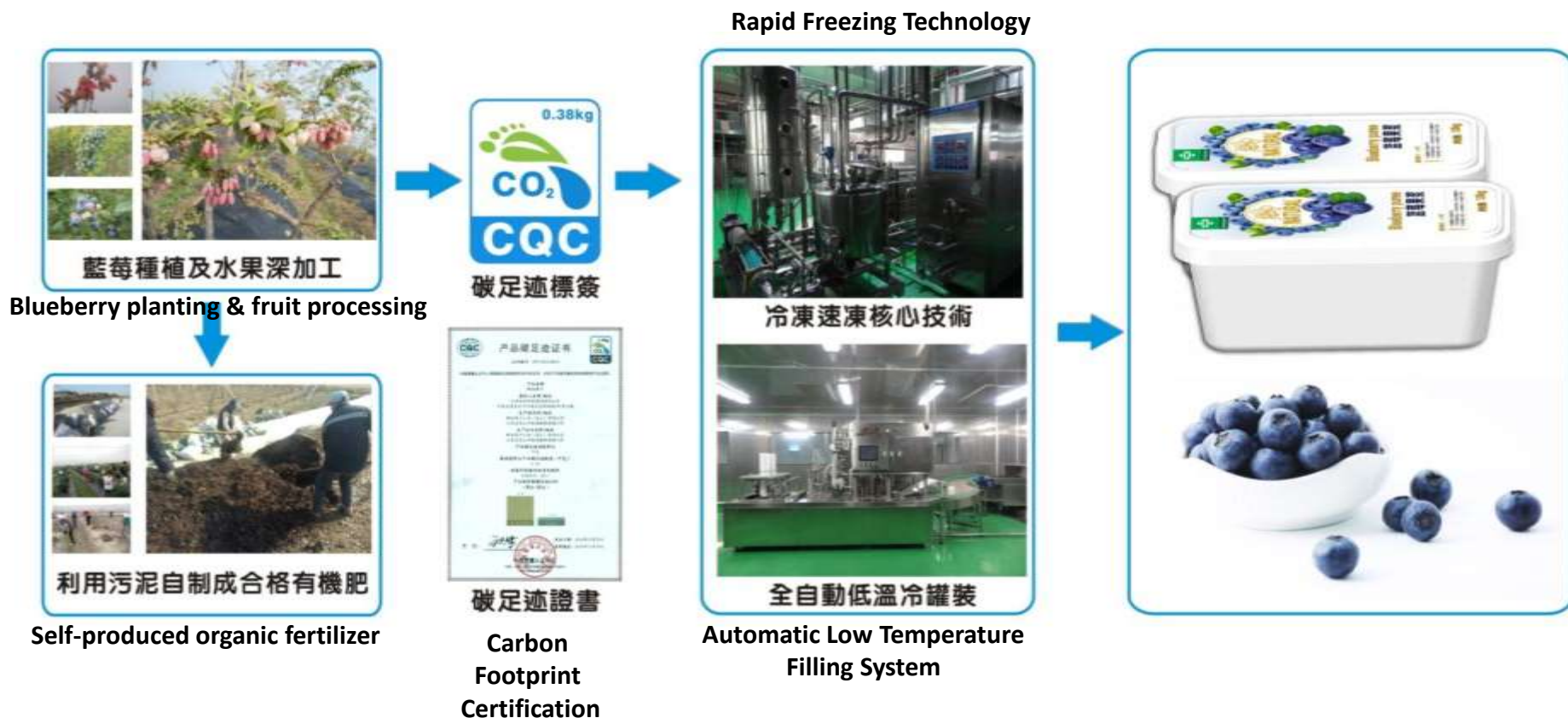
Source: Towers Watson 2015 China Salary Survey
<http://www.prnasia.com/story/134974-1.shtml>

Business partners and employees visiting Taiwan

Taiwan well-know scenery like Hsiukuluan River, Eslite bookstore, Night market, etc.



Fresh fruit processing with product resume is the mainstream of market product





里仁為美

《論語》

“It is virtuous manners which constitute the excellence of a neighborhood.”

~The Analects of Confucius~

平安富足

Peaceful & Abundant

NATURAL

HEALTH

SAFETY

DELICACY

**THANK YOU FOR YOUR
KIND ATTENTION!**

