



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 : 29th August, 2017



Presentation Agenda

- I 、 **Company Profile Overview**
- II 、 **Year 2017 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: 32,636 Sq. Meters

33,329 Sq. Meters

35,675 Sq. Meters

Factory Area: 16,600 Sq. Meters

5,945 Sq. Meters (rental)

4,846 Sq. Meters (rental)

Staff: 369 employees

103 employees

96 employees

Capacity: 55,000 MT/Year

10,000 MT/Year

10,000 MT/Year

(Company Staff as of 30 June 2017)



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.
- Mar 2016** **Sunjuice Holdings Co., Ltd. was officially listed at Taiwan Stock Exchange (TWSE) .**
- Dec 2016** **Awarded [Top 100 of Chinese Corporate Social responsibility in Food industry] and [Staff Welfare Award].**
- Apr 2017** **Suzhou Sunjuice I International Ltd. was established at Kunshan City, Suzhou, China.**
- Aug 2017** **Awarded CSR Corporate Giant Little Giant by Taiwan Common Wealth Magazine for 3 consecutive years**





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



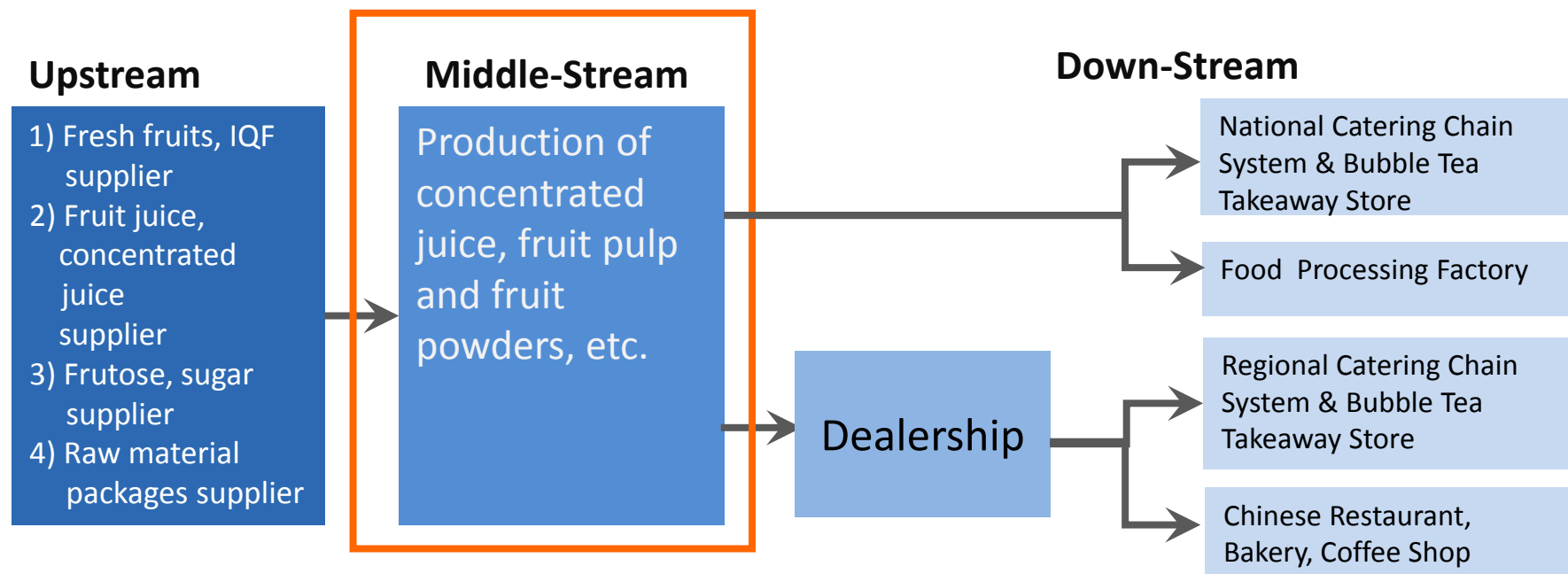
二、果粒類產品 Fruit Jam/Pulp



三、果粉類產品 Fruit Powder



Market Position :



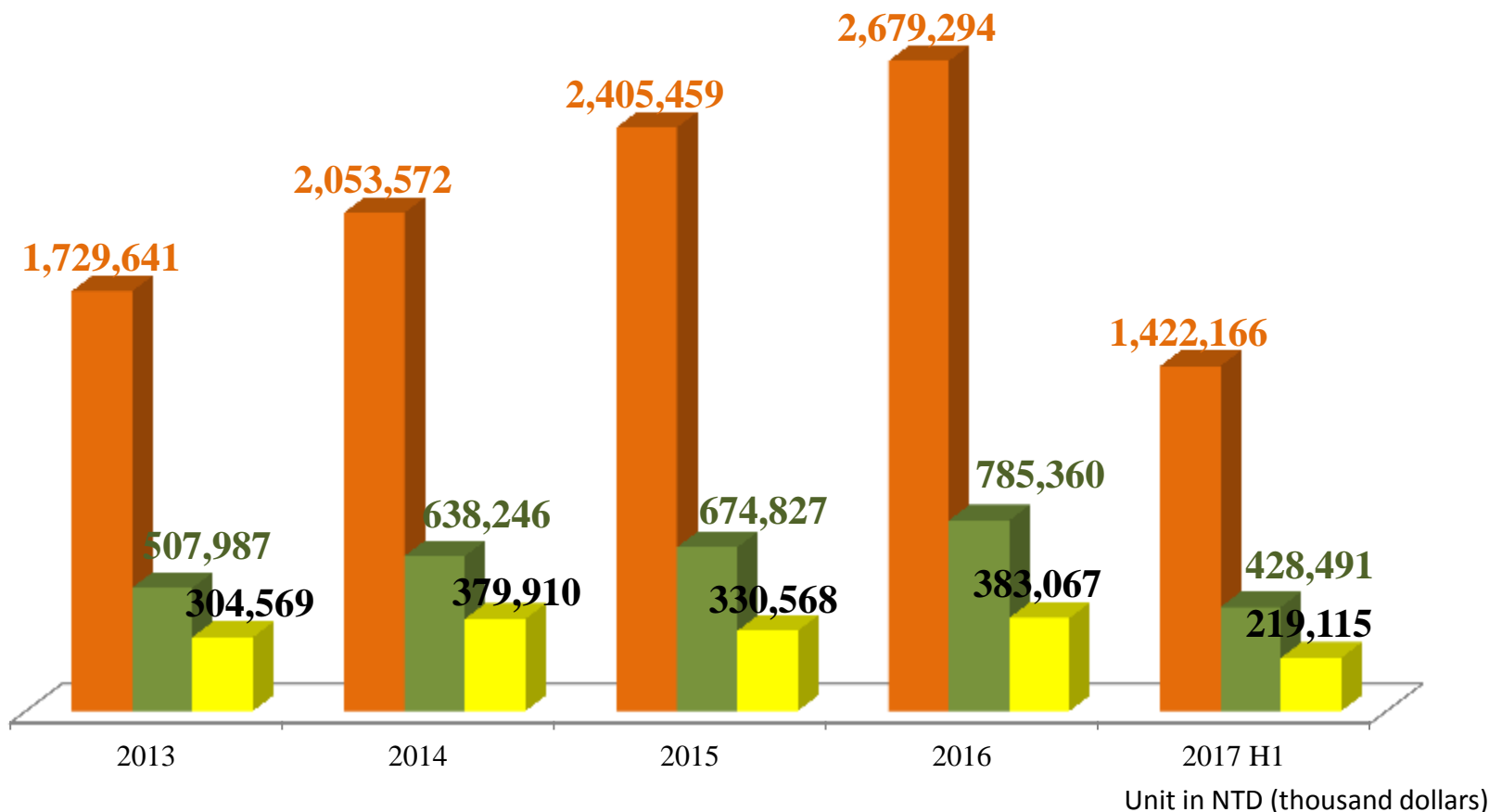
■ Our company is located in Middle Stream. As a raw materials supplier for non-packed & prepared juice drinks **other than packed juice drink for end consumer market.**



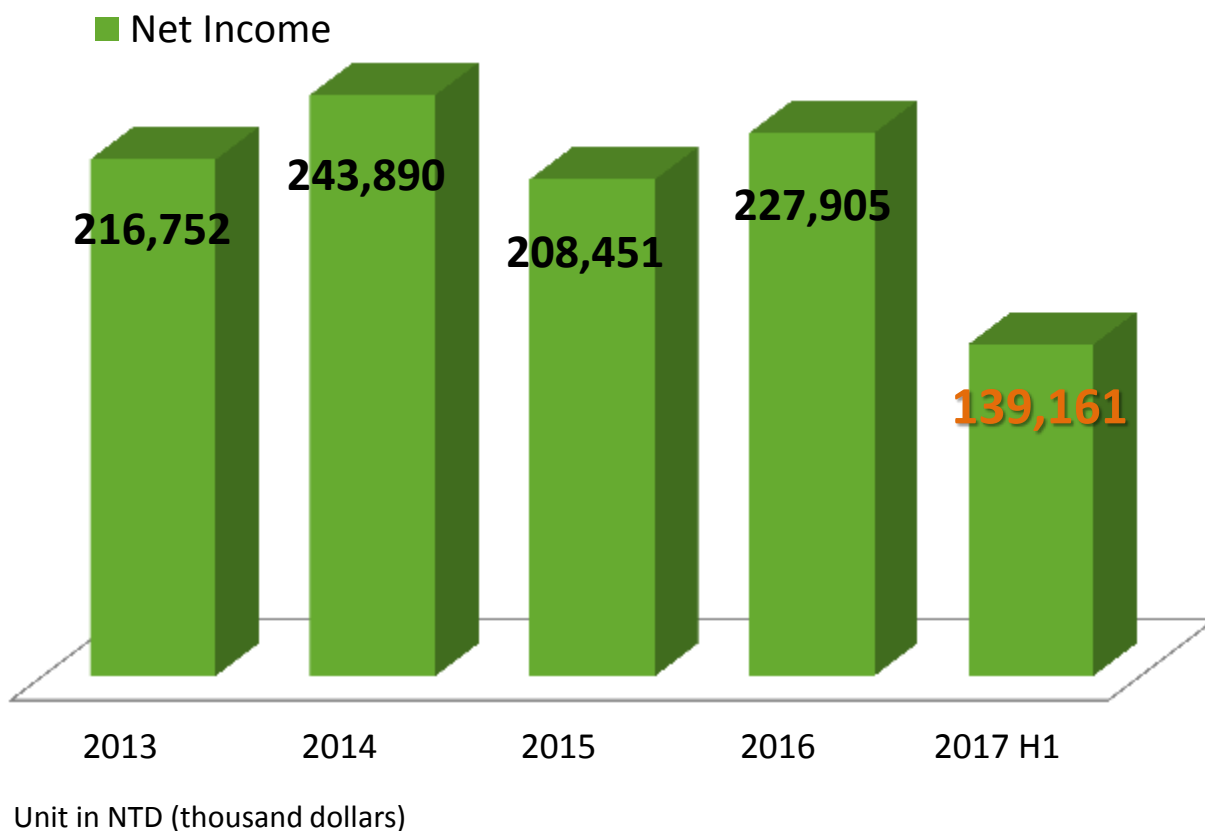
II、Year 2017 H1 Operational Performance (1/3)

1、Recent Years' Revenue & Margin Growths

■ Revenue ■ Gross Profit ■ Operating Profit



2、2013-2017H1 Annual Net Income & EPS Trend



<u>Year</u>	<u>EPS</u>
2013	7.97
2014	8.95
2015	7.76
2016	8.35
2017 H1	5.11



3 、 Accounts Receivable Analysis & Proportion

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

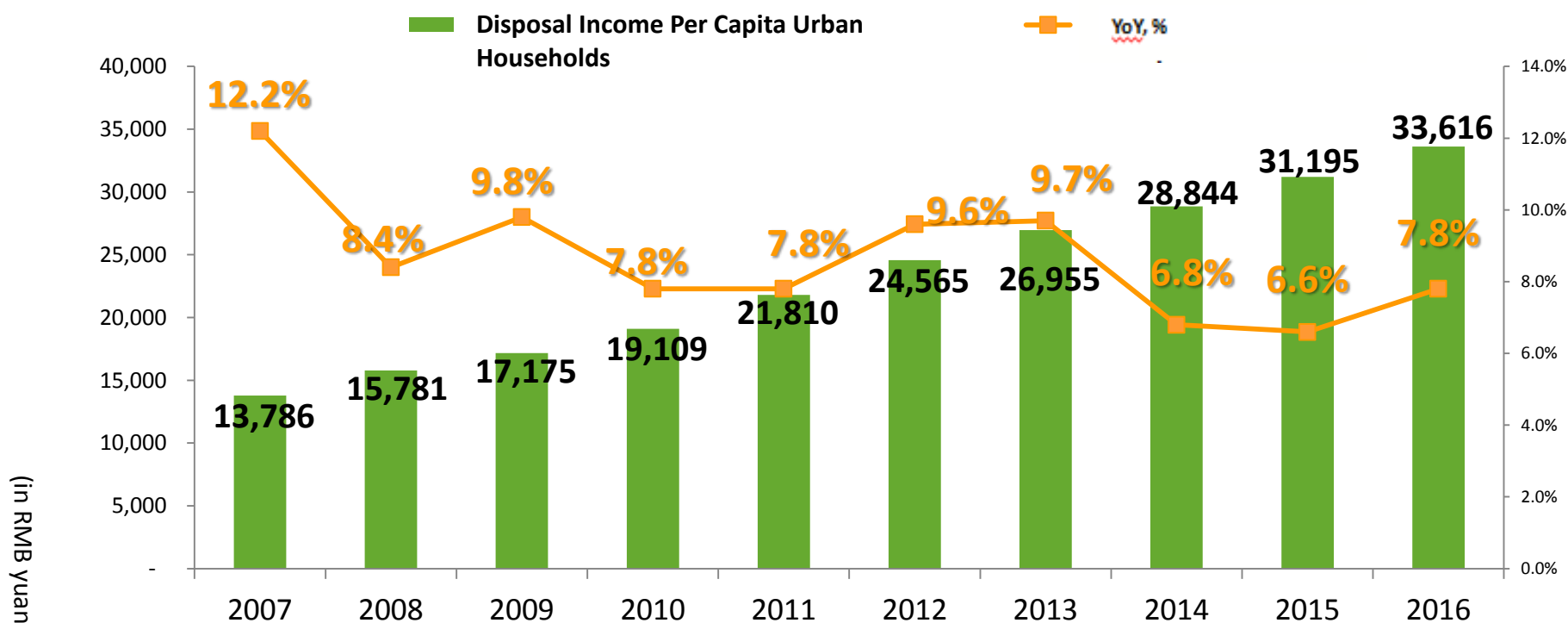
Unit in NTD (thousand dollars)

Item	2013	2014	2015	2016	2017 H1
Net Sales	1,729,641	2,053,572	2,405,459	2,679,294	1,422,166
Bad Debts	0%	0%	0%	0%	0%



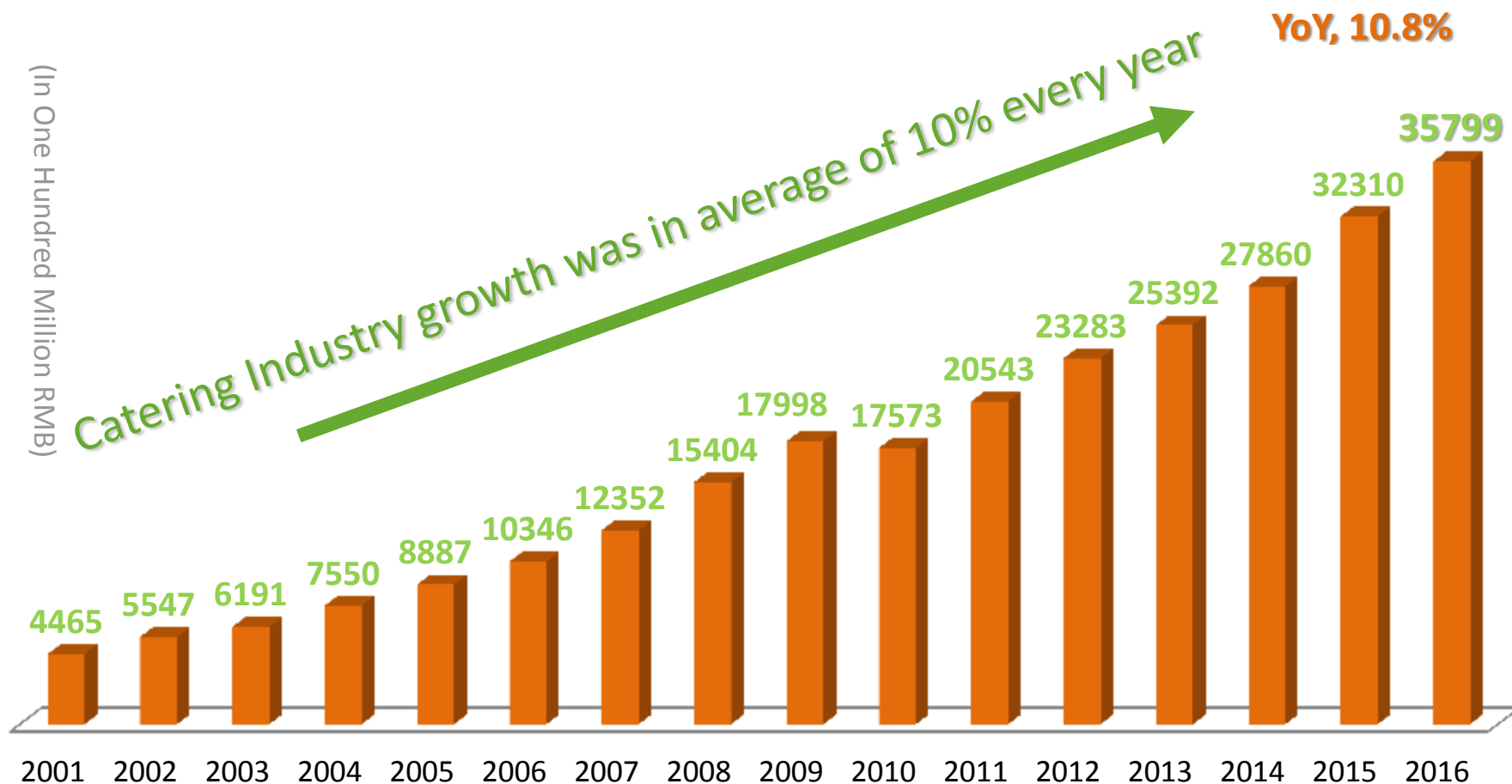
1 、Recent years growth condition for Disposable Income Per Capita of Urban Households in China

- (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 2016



Source : National Bureau of Statistics of China, China Cuisine Association (China)
http://www.cfen.com.cn/zyxw/yw/201701/t20170120_2524058.html

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

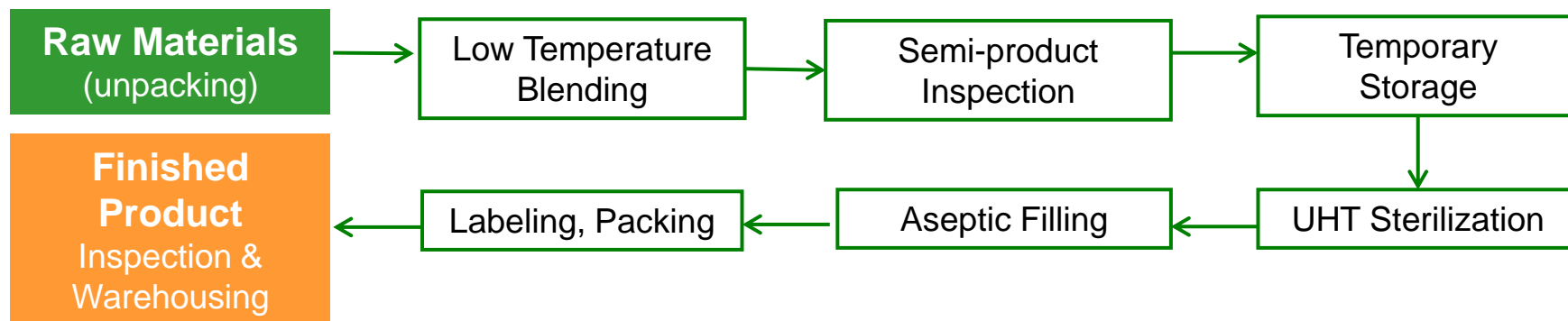


Production parameter confirmation

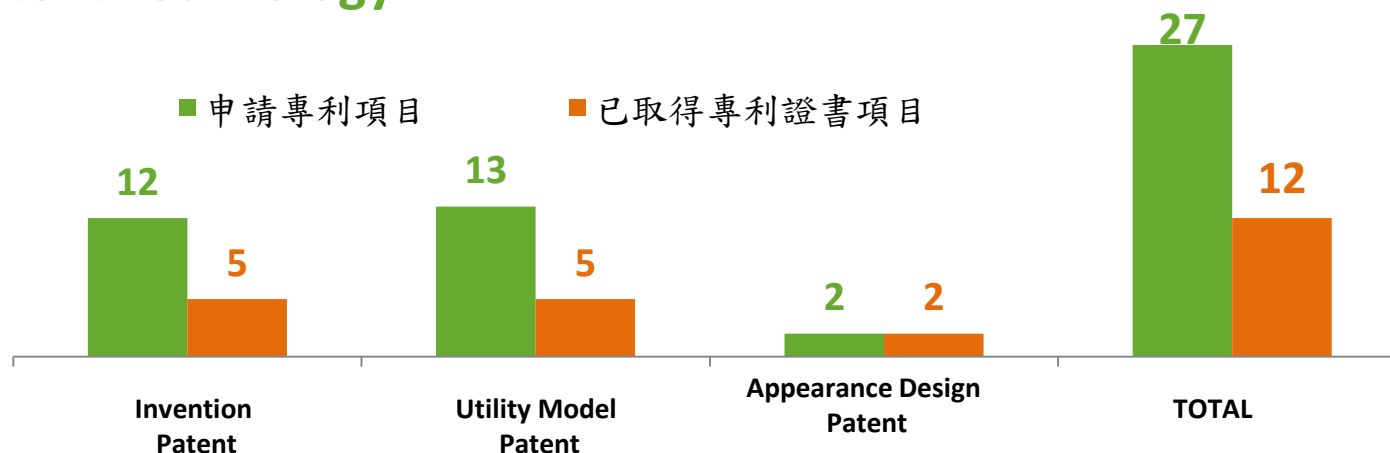


Aseptic filling for sample products

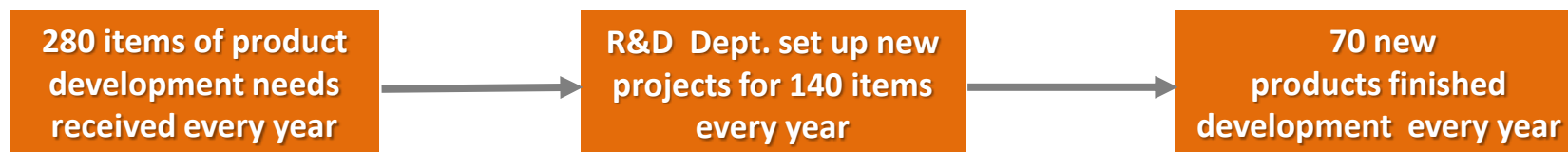
2、Aseptic Filling Standardized Production Process



3、Patent Technology



4、Research Result



5、Core Technology

2015	2016	2017
1. Aseptic Filling Product Line 2. Highly Concentrated Production Technology	MRP & Product Traceability System	Mouthfeel Particles Technology Upgrade

2、Customized & Variety of Product Structure

Average Order Received and Dispatched Report Jan to Jul 2017

**Grouping 220 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 722 product item
for 94 orders in average everyday**



Source: Kunshan factory ERP statistics

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
- 3 、 Introducing MRP system , elevating production scheduling in 4 hours for delivery order efficiency
- 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

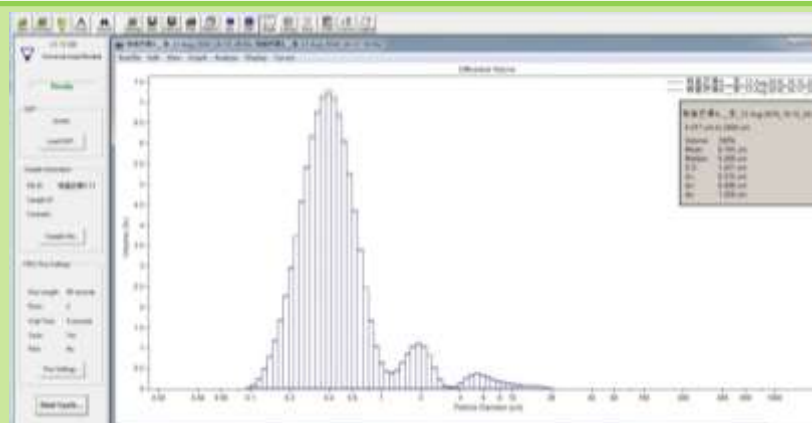
3、Cleanliness & Safety Production System

Set up Laboratory for Food Safety Inspection

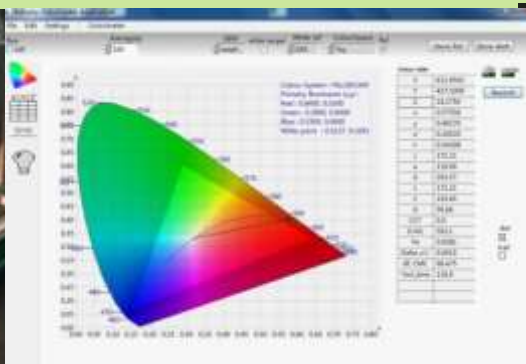
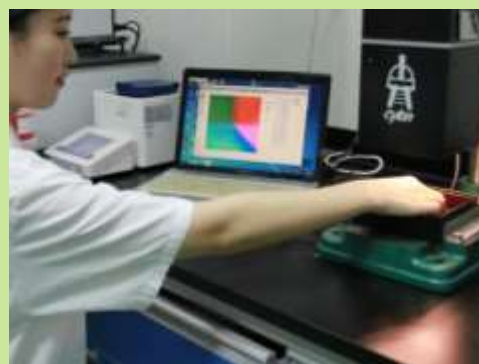
Self inspection & systemized safety evaluation for products and raw materials



(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

Supplier

- (1) Request raw material inspection report & statement
- (2) Regular supplier assessment & plant visit arrangement
- (3) Raw materials production base management

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

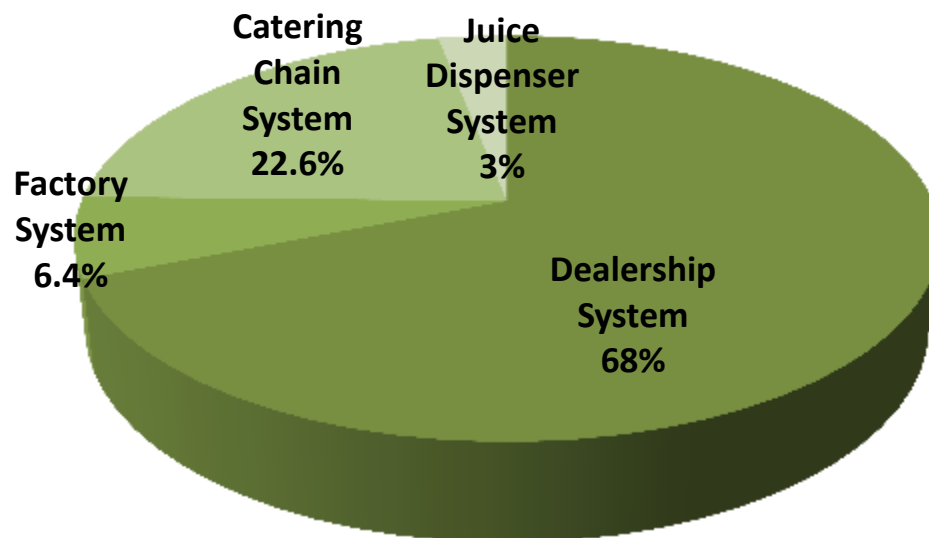
Quality Control Unit

- (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

2017 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

 ◆3Q魔芋顆粒 ◆蜜香丁 ◆燕麥片 550家	 ◆黑糖糖漿 150家	 ◆芒果冰磚 13家	 ◆調味糖漿 963家	 ◆菠蘿汁 ◆蛋合Q果 930家	 ◆甜筒魔芋顆粒 110家	 ◆青檸乳酪圈 ◆柚子茶 ◆柚子波蘿啤 100家
 ◆芒果汁 303家	 ◆韓式柚子茶 ◆芒果原漿 ◆檸檬汁 80家	 ◆荔枝汁 700家	 ◆金桔檸檬汁 40家	 ◆檸檬汁 40家	 ◆雪梨茶 ◆黑加侖汁 120家	 ◆調味糖漿 ◆柚子茶 ◆桂圓紅棗茶 100家
 ◆臺灣魔芋圈 148家	 ◆3Q魔芋顆粒 ◆草莓茶 ◆芒果醬 400家	 ◆3Q魔芋顆粒 ◆調味糖漿 ◆柚子茶 120家	 ◆紅西柚汁 ◆芒果茶 300家	 ◆藍莓茶 ◆歐果凍 ◆烏梅汁 300家	 ◆杏桃汁 410家	 ◆特級果汁 ◆優果C ◆草莓蔓越莓 600家
 ◆藍莓茶 ◆百香果汁 ◆柚子茶 16家	 ◆韓式柚子茶 2000家	 ◆冰糖糖漿 70家	 ◆檸檬汁 ◆柚子茶 100家	 ◆草莓汁 ◆金桔檸檬汁 75家	 ◆黑高檸檬汁 ◆金桔汁 3000家	 ◆調味糖漿 ◆乳酪圈 ◆韓式柚子茶 40家
 ◆黑高果汁 ◆黑森林果粒 2000家	 ◆韓式柚子茶 ◆金桔檸檬汁 ◆山楂茶 ◆檸檬汁 100家	 ◆檸檬汁 240家	 ◆葡萄柚 ◆調味糖漿 610家	 ◆櫻桃茶 ◆香芋果泥 ◆香果果泥 400家	 ◆波蘿粉 ◆鬆子糖果 ◆百香果汁 350家	 ◆檸檬打打 ◆青桔茶 70家

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



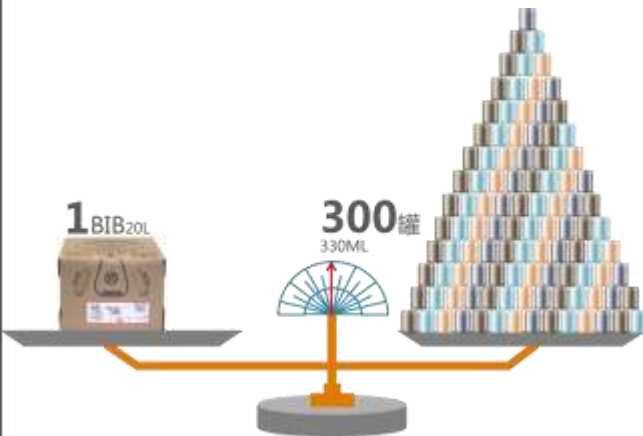


4、 Juice Dispenser Market – Business Model of SENSE

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



4、Juice Dispenser Market – Cold Brew Coffee (Tea)

Creating unique tasting for customers



至少12小时的门店人工操作萃取

Store operating model



Customization + Standardization + Commercialization business model

- Support rapid business development
- Assurance of food safety
- Stable quality and supply



Set up production plant in South China & North China

- Closer customer services, JIT production
- Cultivated regional market, national resources sharing
- Lowering transportation cost & shortened delivery period, raising competitive advantage
- Local agricultural deep processing
- Being the Central Kitchen for Catering Business in Drinks Market
- Experience transformation strategy from Kunshan Production Plant





VI、Future Development Strategy 2/7

Kunshan Factory

New logistic warehouse and automatic warehouse system

Land area : 32,636 m²

Construction area : 16,672 m²



North China Production Plant – Factory Rental - 2015.1 starting operation

Capacity : 10,000 MT/Year

Average manufacturing product per day: 16 items



鲜活果汁工业（天津）有限公司饮料加工项目

North China Production Plant

Land area : 33,329 m²

Construction area : 17,857 m²



South China Production Plant – Factory Rental - 2015.6 starting operation

Capacity : 10,000 MT/Year

Average manufacturing product per day: 16 items



South China Production Plant

2017 H1 sales volume is 229,300 in thousand NTD
Yoy is 22.9%

Land area : 35,675 m²

Construction area : 24,401 m²



Strategic Innovation: Close to customer's market

Cooperation with Cargill to build a competitive brand and develop potential market



Cargill

東北吉林 East North China
華北天津 North China
華東浙江 East China
華中河南 Middle China



華北天津 North China
華東昆山 East China
華南廣東 South China



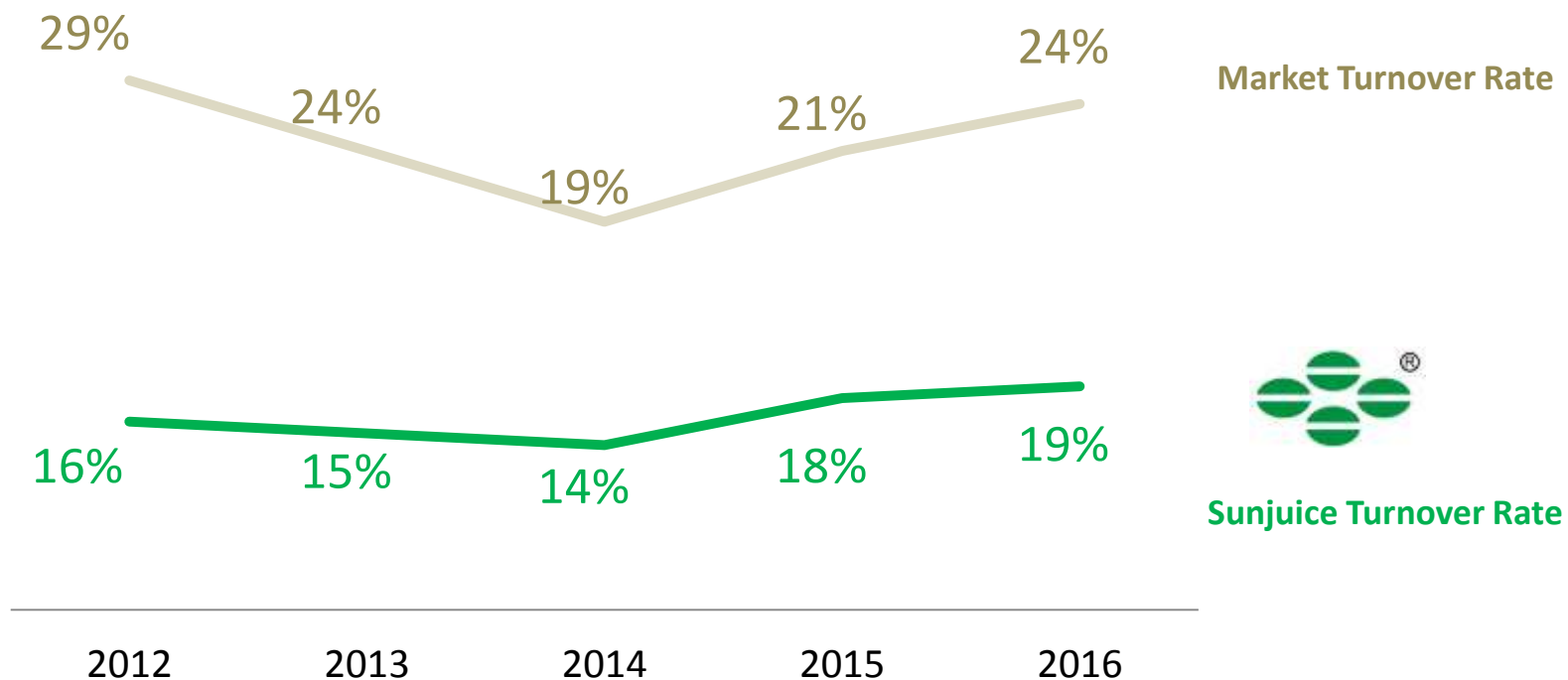
富與貴，是人之所欲也，
不以其道得之，不處也。
《論語》

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: 2017 Turnover rate and salary research report by 51JOBS



Awarded CSR Corporate Giant Little Giant for 3 years

**Food Safety
Products**

Profits Earning

**Training, Benefits and
Health**

**Responsible Supply
Chain**

**Sustainable
Environment Protection**

**Customer
Interaction**

Fresh Juice

To Absorb nutrients from talented person and market

Construct a food safety supply chain

With QR code management from raw materials production, processing, circulation and sales, constructing a real time food safety product resume





Jianghang Blueberry Orchard China Spark Program demonstration base

姜杭生态农业 健康蓝莓

just healthy blueberry

1、Create value and income for local farmer

Revenue 1.56 million RMB, 0.29 million RMB

(as of 2017.7.31)

2、Sightseeing picking

Receiving 15,000 visitors , weekend 2,000 visitors



3、Improve soil for green ecology plantation

Cultivate earthworm to increase gas permeability of soil



4、Environment Protection and original ecology lake

20,000m² original ecology lake





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!**

