



China Shenshan Orchard Holdings Co. Ltd.

**Investor Presentation
November 2021**

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About Us



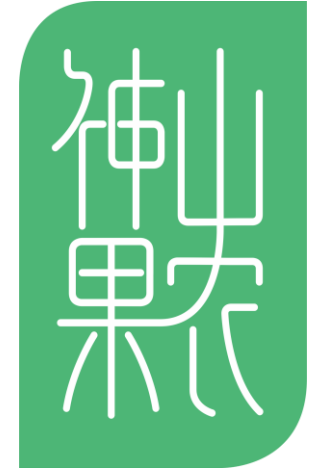
- Established in 2009



- Kiwifruit producer in China
- First SGX-listed pure-play kiwifruit producer



- Owns one of the largest domestic kiwifruit orchards concentrated in Chibi City, Hubei Province, China



Strategically Located Orchards



Annual average sunshine duration of 2,500 hours



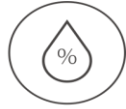
Annual precipitation of 1,100 millimeter



Annual average temperature of 17°C



Average altitude of 273 meter



Average humidity of 38%



Location	Land area (mu)	Main kiwifruit variety cultivated
You Ling	2,323.2	Xianwo No.2
Yuping Peninsula	1,422	Yannong No.1
Yuping	683	Yannong No.1
Westlake	1,114.5	Yannong No.1
Daqiao	2,697.9	Yannong No.3
Luzhuang 1	621.1	Xianwo No.4
Luzhuang 2 (also known as Hongling)	630.5	Yannong No.3
Maiyuanling	339.7	Xianwo No.4
Xindian	603.60	Xianwo No.4
Total area (mu)	10,435.5	

1 mu = 666.67 sqm

- ❑ Secured 50 years forest/land use rights (save for Luzhuang 2) which will expire between 2058 and 2059.

Product Category

精灵金果 (Fairy Gold)

- Yellow flesh with a combination of sweet and sour taste
- Has a sweetness of 18°

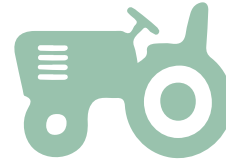


蜜语绿果 (Sweet waves)

- The flesh is an emerald green firm pulp and irrefutably sweet
- Has a sweetness of 18°



End to End Value Chain



**Acquiring and
Developing Kiwifruit
Varieties**

Planting

Cultivating

**Harvesting and
post-harvesting**

**Processing and
packing**

**Sales and
Marketing**

Research and Development

In-house technology department

- Owns an in-house research laboratory
- Conducts intensive research on the varied types of kiwifruit breeds
- 4 research and development staff who comprise mainly university graduates and diploma holders

External partners

- **Maintains collaborative relationships with several institutions and experts** in the agricultural industry in the PRC, including:
 - Zhengzhou Fruit Research Institute Chinese Academy of Agricultural Sciences
 - Wuhan Botanical Garden of Chinese Academy of Sciences
 - Hubei Academy of Agricultural Sciences
 - Huazhong Agriculture University
 - Other domestic industry experts to share and develop technology and expertise



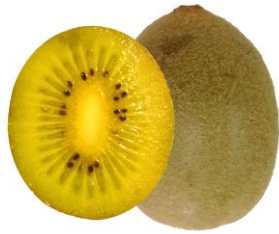
Licensed plant variety right

炎农一号 (Yannong No. 1)



- Yellow-fleshed with high sugar content
- Irrefutably sweet and explosive juiciness

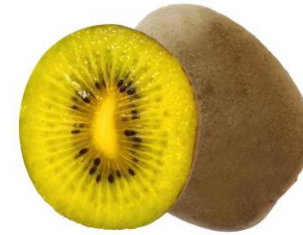
炎农三号 (Yannong No. 3)



- A mouth-watering kiwi with vibrant yellow flesh and pleasant sweet taste

Self-cultivated plant variety right

先沃二号 (Xianwo No. 2)



- Yellow-fleshed with high sugar content
- Sweet tart with a slightly acidic edge and it is delicious in every bite

先沃四号 (Xianwo No. 4)



- Prized for its tempting berry flavour and vibrant yellow flesh

Deployment of Advanced Technology



Scaffolding built with high standards



Water and fertilizer integrated system



Insecticidal technology



Self-developed traction facility



Automatic sorting system



Traceable from source



- Adhere to the highest standards in China.
- Utilised the most advanced agricultural machineries in the country.
- The daily operations are maintained by only 180 full time employees.

Quality Assurance

- The Group's planting and production processes are in compliance with the Green Food Grade A standards to ensure food safety



Green Food Grade A



Organic Certified



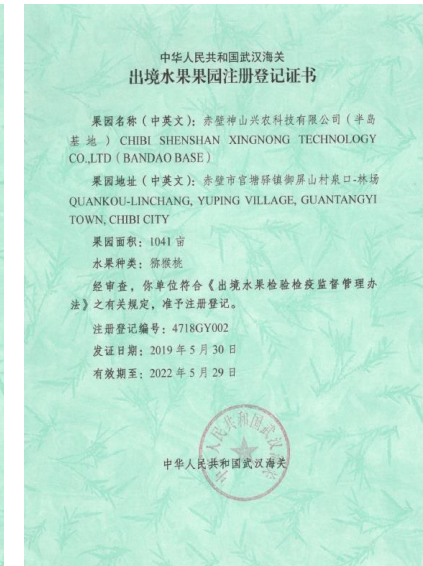
Certificate of Good Agricultural Practice



ISO Certified



Export Certificate



Export Certificate

Sales and Marketing

- Sold through 3 existing channels, namely
 - **Distributorship**
 - **Wholesale**
 - **E-commerce platforms such as Tmall.com, Taobao, and JD.com**
- Various marketing and promotion efforts, as well as the brand awareness and profile of its kiwifruits:
 - Attending nationwide kiwifruits trade fairs
 - Outdoor advertisements
 - Online promotions



The 12th iFresh Asia Fruit and Vegetable Industry Expo

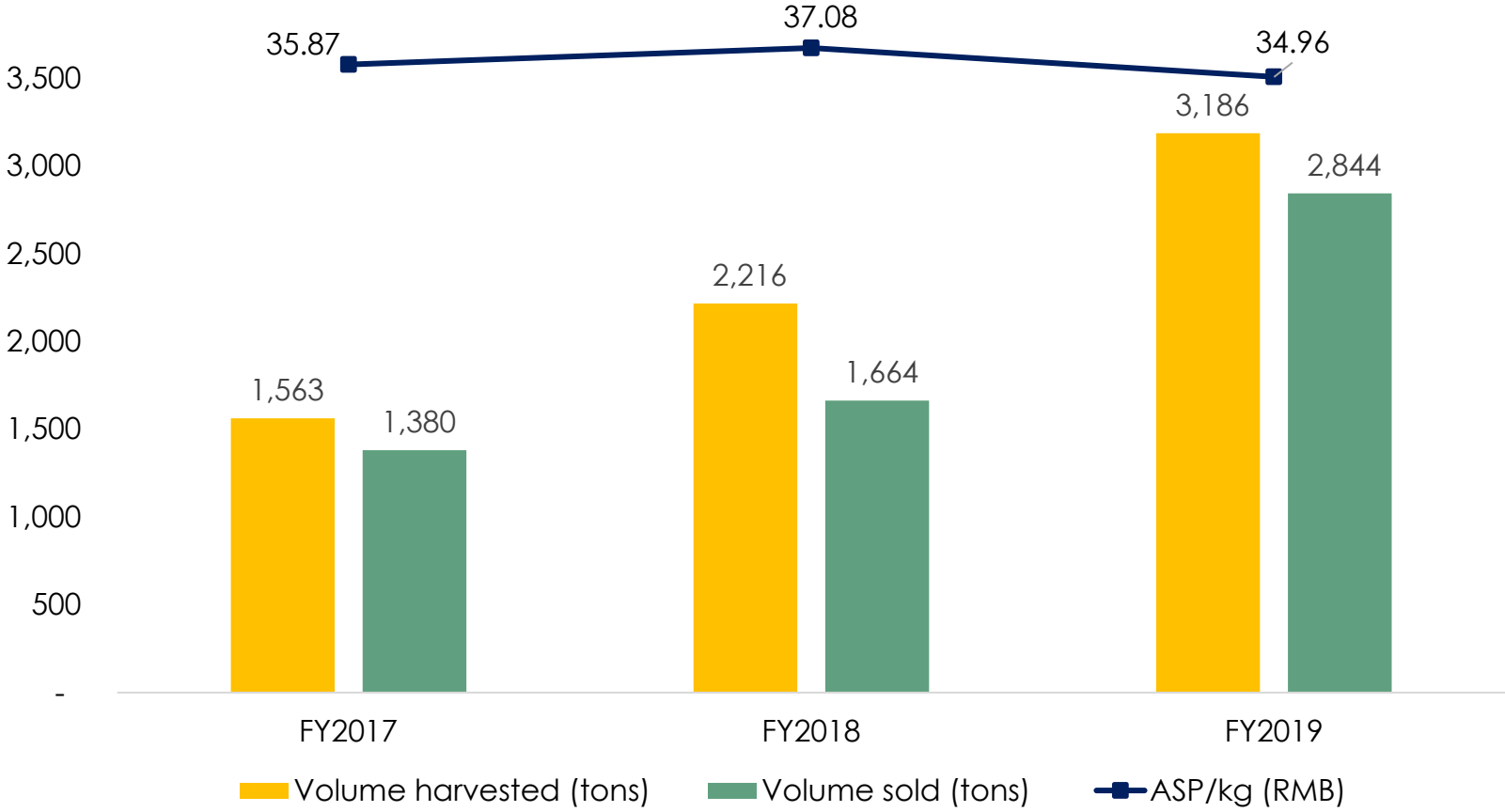


2019 Yangtze River Kiwifruit Industry Summit



Live Streaming

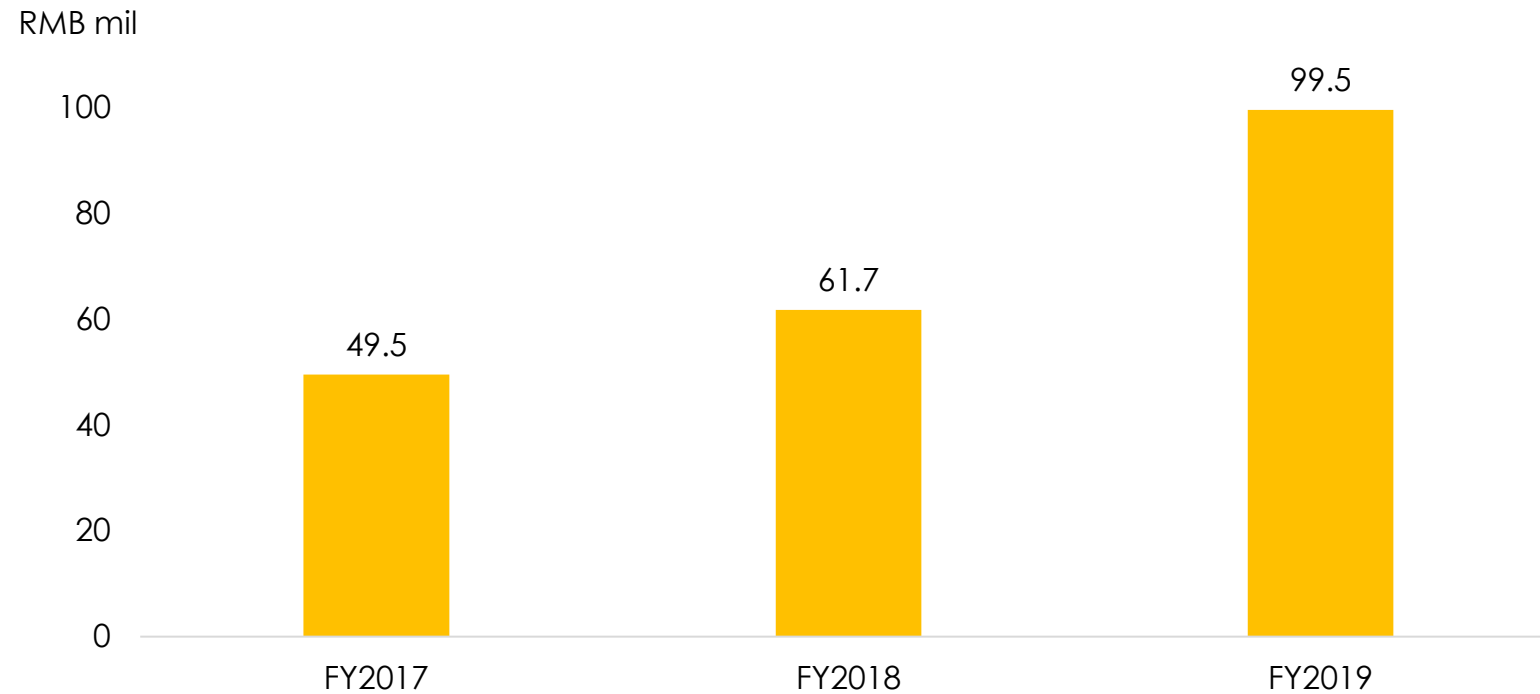
Growing Volume of Kiwifruit Harvested & Stable Selling Price



- Volume of kiwifruit harvested and sold have been growing over the past 3 years
- The average selling price of kiwi held steadily over the years

Steady Growth in Revenue

Revenue

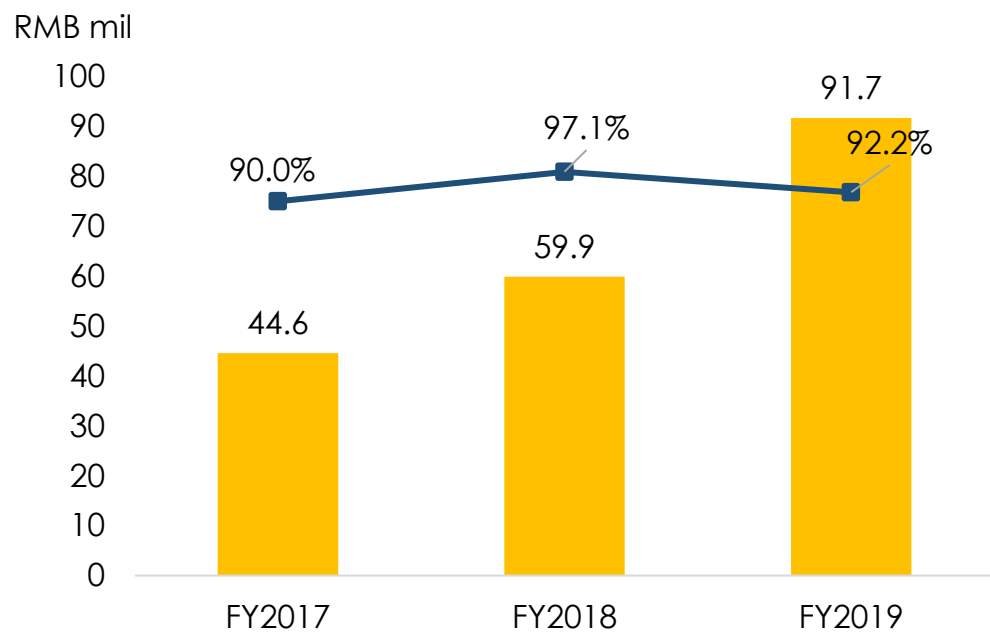


The increase in revenue in FY2019 was mainly attributable to:

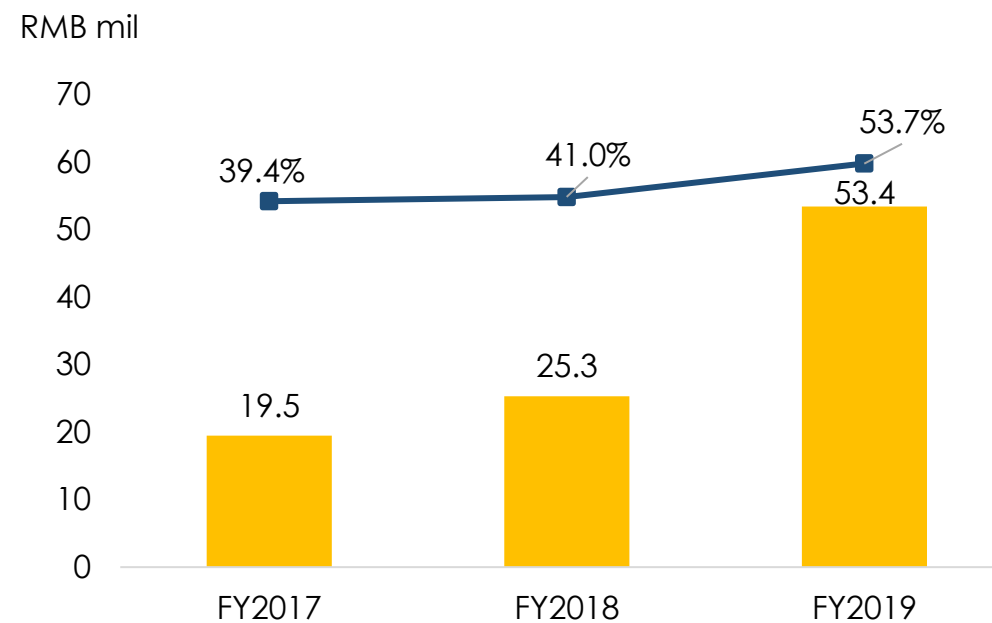
- (i) the increase in sales of kiwifruit by approximately 1,180 tons
- (i) Expansion of distribution networks and the enhancement of brand profile

Sustainable Profitability

Adjusted Gross Profit and Gross Profit Margin*



Net Profit and Net Profit Margin



* Adjusted to include the gain arising from changes in fair value less costs to sell of biological assets, and the corresponding impact to cost of sales

Biological Assets

Based on track record, our biological assets are sold within the same year and converted into cash or recorded as account receivables

RMB'000	FY2017	FY2018	FY2019
Revenue	49,500	61,708	99,490
Cost of Sales	(44,640)	(55,418)	(88,468)
Gain arising from changes in fair value less costs to sell of biological assets	39,712	53,615	80,697
Adjusted Gross Profit	44,572	59,905	91,719

MOU with Chibi Green Industry Development

- Additional 5,000 mu to be used for kiwifruit planting
- Cover a 30-year period commencing 1 January 2022
- Total investment amount of approximately RMB150 million
- This investment is stemming from the government's favorable policy to promote agriculture

Incorporated a new subsidiary, Hubei Shenshan Orchard Technology Co. Ltd.as R&D Centre

- Develop new kiwifruit varieties and improve planting and cultivation technique
- Potential additional revenue by licensing our kiwifruit variety
- Broaden expansion into the kiwifruit industry and strive to become a leading agricultural biotechnology company

Competitive Strengths



Modern industrialised approach to agriculture

- Large-scale standardised operations and procedures
- Use of superior kiwifruit breeds
- Extensive R&D initiatives
- Develop its proprietary range of premium kiwifruit breeds and agriculture infrastructure



Leverage on Research and Development

- Experienced in-house technical department
- External technology advisory and research partners



Strategically located kiwifruit orchards

- Little to no typhoons throughout the year
- Optimal weather conditions
- Situated on gentle slopes
- Central location allows easy access



Dedicated and experienced management team

- Supported by experienced technical team

Empower Farmers, Alleviate Poverty

- **Helping farmers to improve their income and quality of life**
- Yuping was originally a poor village, logging wood for a living, and farmers annual income was about RMB1000 to RMB 2,000
 - Relying on kiwifruit business, the farmers have moved out of poverty, earning about RMB30,000 to 40,000 per annum



Recognitions



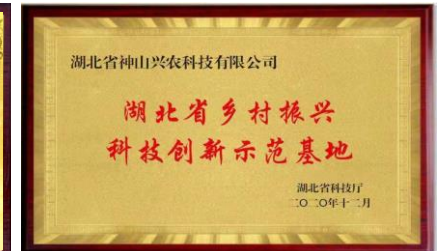
Alliance Excellence Award



Empowering Farmers Through E-commerce Award



Social Caring Organization Award



Innovation Demonstration Base

Temporary workers	About 500	About 120	RMB18,000
	Local farmers	Poor households	Average annual income

Permanent workers	104	51	RMB3000-4000
	Orchard workers (Local farmers)	Poor households	Monthly income

Industry Outlook

Growing affluence and changing consumer patterns in the PRC

- Driven by growth in disposable income and increasing urbanisation
- **PRC overtook Japan as the second largest market** for New Zealand kiwifruits in 2018
- PRC consumers prefer premium-quality, healthy and organic fruits

Growing online sales channels

- Fresh food e-commerce has seen rapid uptake, especially among consumers who can afford premium services
- Commenced sales on online shopping platforms, including Taobao Marketplace and JD.com

Government support

- The PRC government aims to eradicate total poverty by inter alia, **modernising the PRC's agricultural industry by 2035**
- Farmers are experimenting with technology

Corporate Future Plans



Enhancing and increasing the scale of operations

- Ramp up its research and breeding efforts
- Upgrade and acquire new machinery and equipment for the Packing Facilities
- Invest in infrastructure and other necessary operating facilities
- Improve planting and cultivation techniques



Expanding marketing and sales networks

- Seek out new partners including supermarkets, wholesalers and distributors
- Strengthen its kiwifruit branding and market penetration effort



Acquisitions, joint ventures and strategic alliances with similar growers or other partners

- Consider strategic partnerships or alliances with parties which are synergistic with the Kiwifruit Business

Peer Comparison

Company	Description	Market Capitalisation	P/E	P/B
China Shenshan Orchard	Kiwifruit producer in China	SGD 20.36 Mil	1.1	0.4
Asian Citrus Holdings	Cultivates and sells a variety of oranges namely winter oranges and summer oranges	HKD 474.90 Mil	0.4	0.9
Heilongjiang Agriculture	Plants, processes, and sells rice, soybean, wheat, corn, and other grain products.	RMB 25.03 Bil	31.2	3.6
Jiangsu Provincial Agricultural Reclamation and Development Corporation	Runs grains farming, fruits growing, crops growing, and other businesses.	RMB 15.82 Bil	23.0	3.1
Yuan Longping High-tech	Produces and markets seeds of grains, vegetables, and fruits.	RMB 30.43 Bil	189.4	5.8
Great-Sun Food	Offers fruits, vegetables, seafood, and other food products.	RMB 3.42 Bil	52.7	3.7
Fresh Del Monte Produce	Produces, markets, and distributes fresh and fresh-cut fruits and vegetable	USD 1.29 Bil	14.1	0.8
Dole	Grows fruits and vegetables in China	USD 1.28 Bil	88.5	2.4
		Average	50.1	2.6
		Median	27.1	2.8

Thank you



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Appendix

Intellectual Property and Awards



- **73 trademarks and 7 pending review**
- **53 patents (expiring between 2027 to 2030)**

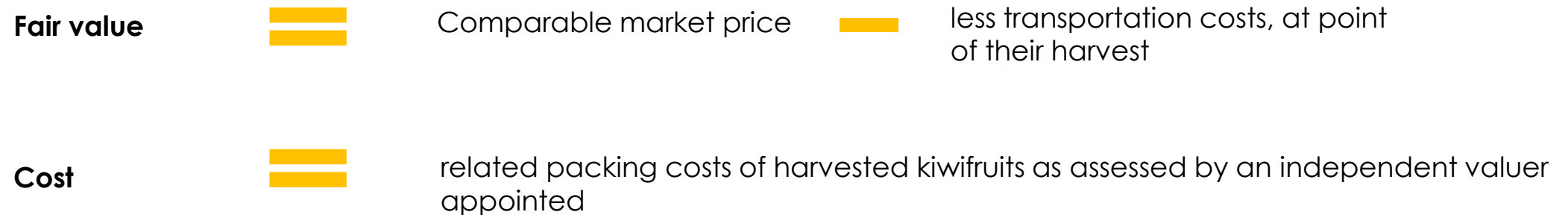


- 2020** Certificate of Good Agricultural Practice
- 2019** Key Leading Enterprise of Agricultural Industrialisation in Hubei Province
- 2019** Agricultural Product Processing Industry (Target Gross Product of RMB100 Billion) in 2018 – Outstanding Contribution Award
- 2018** Agricultural Industrialisation Excellence - Key Leading Enterprise
- 2018** Top 30 Private Enterprises in 2017
- 2017** Xianning Modern Agricultural Industrial Park

Biological Assets

The **harvested kiwifruits is recognised as the biological assets** which are accounted for under inventories

- Harvested kiwifruits are measured at their fair value less costs to sell at the point of their harvest



- The non-cash gain or loss arising from the difference between such fair value and the costs to sell the harvested kiwifruit is included as a line item in profit or loss for the period in which it arises
- Such non-cash gain or loss arising from changes in fair value less costs to sell of biological assets are recorded as part of cost of sales when the harvested kiwifruits are eventually sold