



SUNMOON



SunMoon Updates II
Thursday, 6 May 2009



AGENDA

1. **The SunMoon USP**
 - 30 years of experience & consumer trust
2. **Upward Potential**
 - Historical benchmarks & projections

THE SUNMOON UNIQUE SELLING POINT



Where does SunMoon fit in in the value chain?

IP, KNOW-HOW & TRUST

NOT EASILY REPLICABLE

Trust
(30 years!)

GENUINE HERITAGE

Consumer Brand
Recognition & Recall

Global Client Distribution Reach
& Strategic Partnerships

Long Fruit
Trading
Experience

In-depth
Market
Expertise

Quality
Assurance
(Standards
& Certifications)

Sourcing
Capabilities
& Know-how

SUNMOON QUALITY PROCESSES IN PLACE



1. SunMoon accredits and certifies pack houses as approved suppliers with a team of experienced QC staff led by a QC Manager
2. Pack houses are provided guidelines on fertilizer and pesticide selection and use for their source orchards
3. Each accredited pack house has at least one SunMoon Quality personnel stationed in-house for lot testing (plantation specific) and performs a variety of stringent checks to ensure buying specifications are in compliance:
 - Visual inspection (color, shape, size, blemishes)
 - Brix testing (sweetness)
 - Pressure testing (integrity and firmness)
4. Lab tests for selected markets are accommodated by customer request
5. The QC personnel also accompanies the product to verify if it is loaded into clean containers and contracted amounts and products are properly secured for shipment to our customers

Note: The SunMoon QC team has a combined experience of 80 years.

SUNMOON QUALITY PROCESSES IN PLACE



Left: Physical Lab





Below: Chemical Lab






Below: Microbiological Lab

SUNMOON'S OWN PACK HOUSE FACILITY



1. SunMoon is currently setting up a new World-Class Packing Facility in Taian as a showcase for providing customer confidence in our quality processes
2. It will operate under SunMoon's strict standards and undergo all necessary international and customer specific accreditations (e.g. HACCP, ISO, EUROGAP etc.) for full compliance
3. It will serve as a training facility for QC personnel
4. It will serve as a **Gold Standard** for the SunMoon accredited supplier network
5. It will serve as a safety facility to buffer fluctuations in supplier output

SUNMOON'S OWN PACK HOUSE FACILITY



CHINA

Shandong Province

Taian

UPWARD POTENTIAL



A deeper look at the SunMoon's performance potential

CUSTOMERS & PARTNERS

South East Asia



Australia



Canada



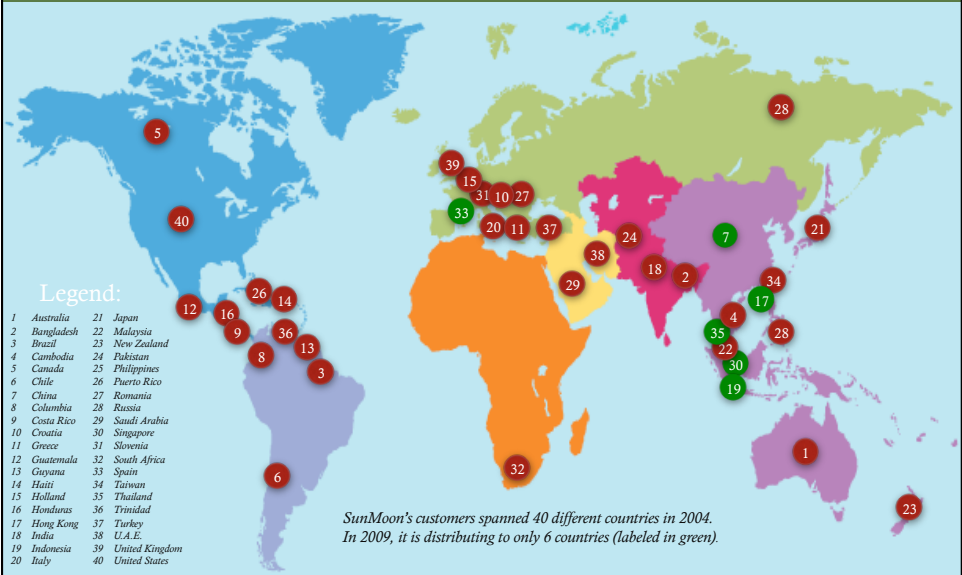
United Kingdom



Europe



GLOBAL REACH



TRADING STATISTICS FOR 2006



HISTORICAL HIGHS (Y2004)

Product Mix

	Products	Volume	Value
85%	SunMoon & Trigem APPLES	52,465 T	\$72.8m
15%	OTHER FRUITS	9,258 T	
	Division Result		-\$15.0m

Notes:

- FY2004 was SunMoon's top volume achieved in it's entire history
- Losses evident due to asset-heavy set up

FORWARD SCENARIO

*Historical Highs
(2004)*



	New Model		Old Model
	At 60% Peak	At Peak	At Peak
Total Fruit Volumes	37,034 T	61,723 T	61,723 T
Estimated Revenue	\$64.0m	\$106.6m	\$72.8m
Target GP%	8%	8%	9.5%
Operating Expenditure	\$1.6m	\$2.0m	\$22.0m
Estimated Net Profit	\$3.5m	\$6.5m	-\$15.0m

Assumptions:

- 1 Container = 22 T = \$38K

MARKET FOCUS: INDONESIA TODAY

Customer	Import Needs per week	Volume from SMF	% met by SMF	Future business based on 17 – 20 Mar Jakarta Visit
Customer 1	20	3	15%	Firm opportunities for Trigem business
Customer 2	20	3	15%	Firm opportunities for Trigem business
Customer 3	2	0	0%	Currently procures from Customer 8 – wants to deal direct with SMF
Customer 4	7	2	29%	Firm opportunities for Trigem business
Customer 5	2	0	0%	Looking for quality, consistency
Customer 6	3	2	66%	
Customer 7	8	2	25%	Firm opportunities for Trigem business
Customer 8	10	0	0%	Firm opportunities for Trigem business
WEEKLY TOTAL	72	12	17%	
YEARLY TOTAL	864	144		

Notes:

Indonesia is a good example of a key market with many opportunities. Good penetration to top customers which have indicated desire to increase orders if quality and consistency issues are resolved for SunMoon Apples, and also to take on Trigem (Class 2) if price is right. Most clients are willing to participate in any SunMoon led promotion campaigns.

Good room for growth

GOING FORWARD...

1. We have established a lean, efficient, very scalable business model leveraging on the IP, technical know-how, brand equity and customer relationships built over the last 30 years.
2. Rapidly expanding sourcing network to fulfill the current demands of *existing* customers in 6 markets
3. Next areas of growth – returning to past markets to re-establish market share and penetration
4. How much we need to grow: \$8 million to achieve targets with new business model

THE END

thank you.