

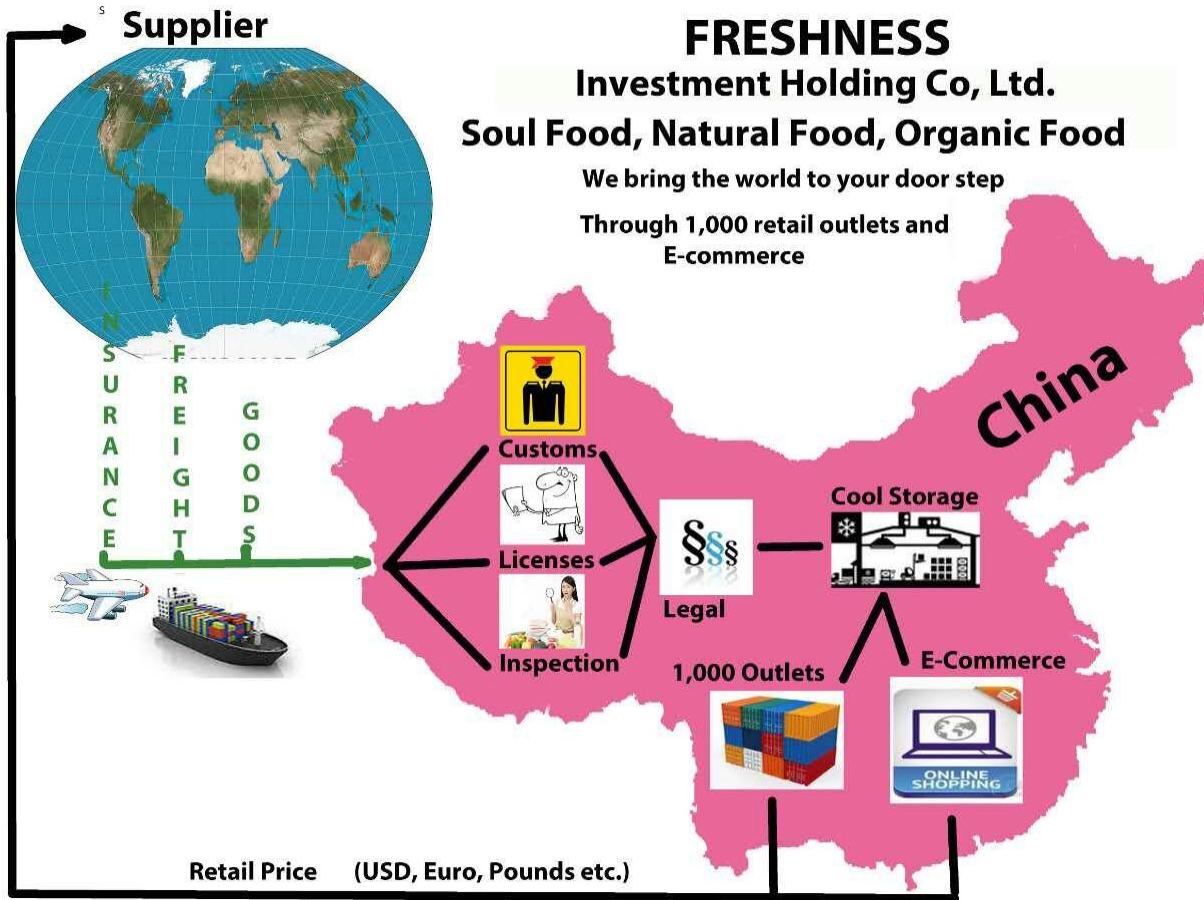


Cold Supply Chain Logistics

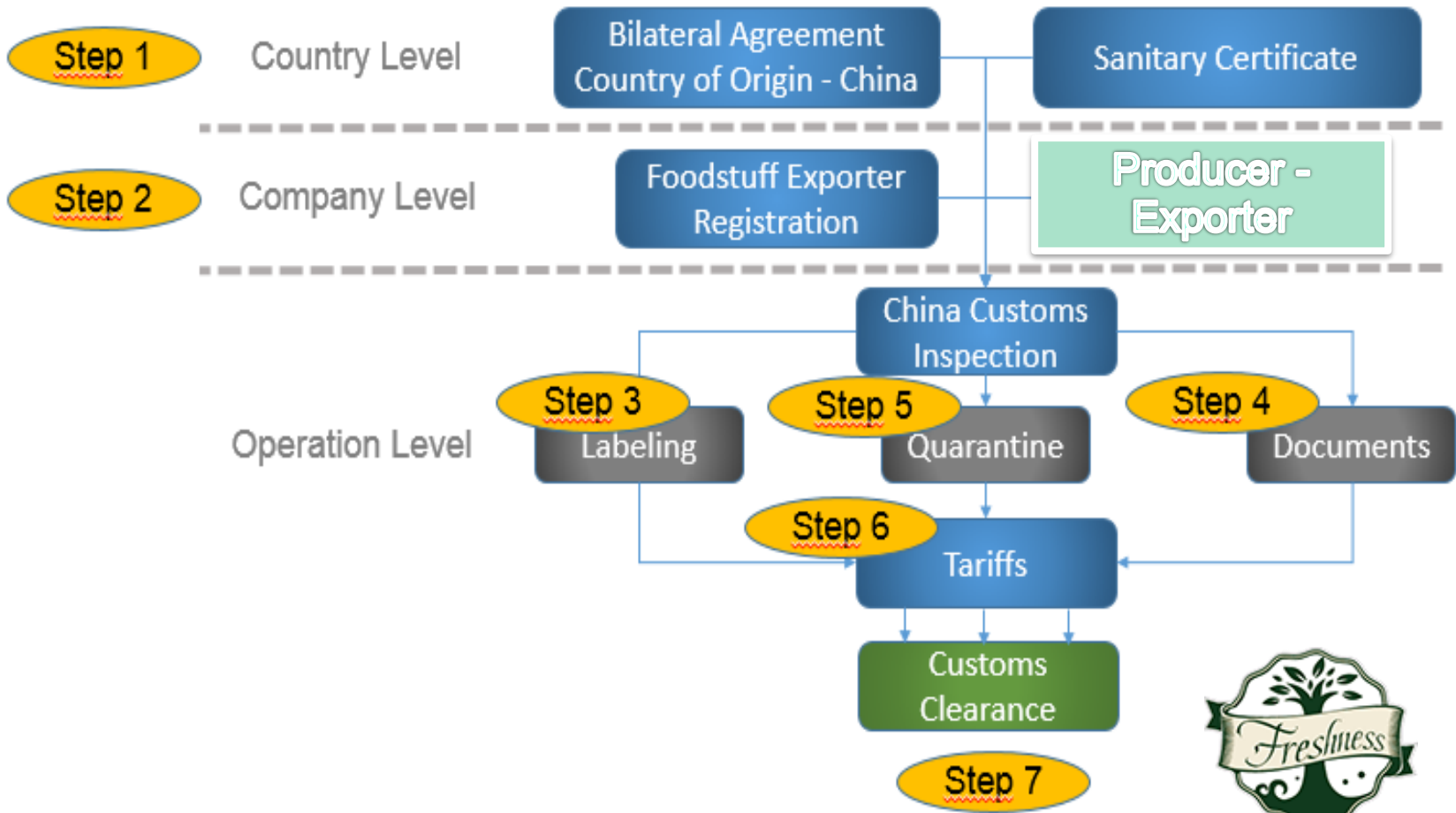


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A New Way to Gain Direct Access to 1,500,000,000 Millions of Chinese Retail Customers



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Supply Chain

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Supply Chain



Projected overview of market distribution and cold storage warehouses

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Green food market analysis

- 1) The Green Food system : after 25 years of development, the government has invested over one hundred billion RMB in setting up institutions for authentication of Green Food, building green raw material plantation bases and supporting the green food enterprises.
- 2) Green Food industry: there were more than 12000 Chinese green food enterprises so far, providing more than 17000 green food items and material, and generating more than 500 billion RMB worth of sales each year.
- 3) Green Food market size: the planned economy system growth, the development of green food distribution channels and consumers' increased understanding about green food, the promotion and sales of green foods are unlimited, and massive government investment on the green enterprises and plantation bases is leading to proper supply chain development and increased demand. This requires even greater supplies of foods and of cold supply chain systems



Organic food market analysis

- 1) Organic food system: China's organic food is in a fast growing stage. Since organic food is popular in the international market and the export profit is relatively high, many enterprises want to export their products into China. We can supply the way to do it.
- 2) In the "eleventh five-year plan" period, the Chinese government will try to speed up the development of the organic food industry, in accordance with the policy of "guiding, regulating, cultivating and supervising".
- 3) Organic food scale: Nowadays, the global organic food market is growing in an average annual rate of 20% to 30%, which is expected to exceed 200 billion US dollars in 2021. Meanwhile, Chinese international market demand for organic products is increasing each year. There is a strong long term growth and import-export opportunity with China.
- 4) Production for Chinese bound organic rice, vegetables, tea, grains, and other agricultural products and processed products like camellia oil, walnut oil and honey, meat, dairy, poultry products etc. are unable to meet the demand.

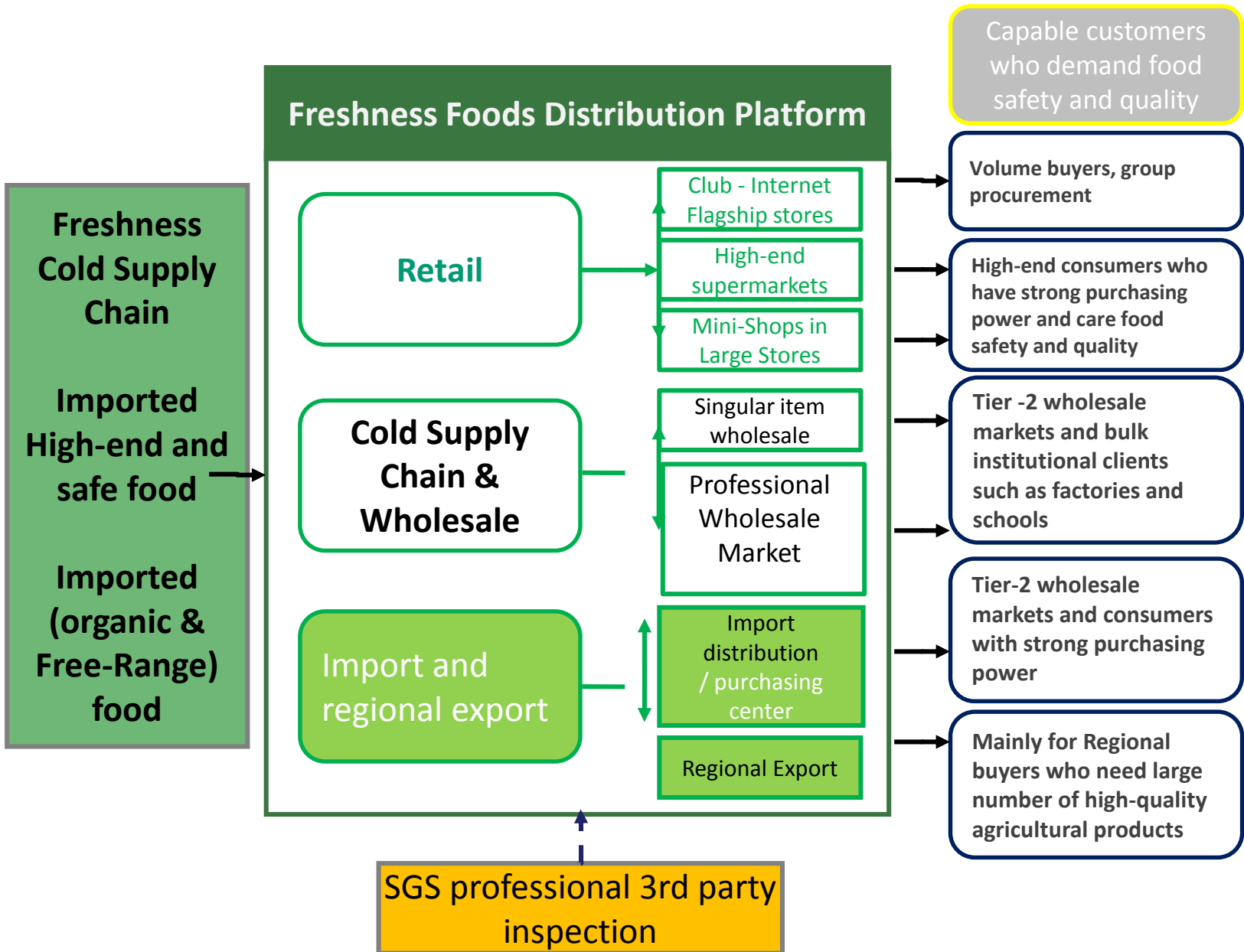
Overall situation of National Organic Food industry:



Project profile

- **Freshness provides an end-to-end solution for food quality control and distribution.**
- Freshness is a safe and hi-end **Food and Cold Chain** Distribution platform.
- Freshness has successfully been endorsed in China, to establish a safe and hi-end food distribution platform with business lines including retail, wholesale and import & regional export.
- All food items distributed through the Freshness platform are authenticated food, including Organic, Green, Pollution-free or Geographical Iconic, as well as Internationally well-known brands of imported food. Safety of imported foods are certified and guaranteed by authentication institutions from the origin countries.
- With the Source Tracing system of Ministry of Agriculture and SGS, the professional third party test/inspection partner, Freshness aims to build the very first food safety cold supply wholesale and retail platform in China.

Business Model



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Business model (Retail business)

Freshness Foods will operate by regions, and penetrate the market thru it's Club Automated cold storage Vending Machines, Internet E-Commerce Sales, Flagship stores, High-end Supermarkets and Shop-in-shop solutions. The operation center in each area works as a hub, supporting the retail business groups. The cold supply chain hub and most Flagship stores are mainly set in suburbs of major cities while the High-end Vending Systems and Supermarkets are in the city center, and the Shop-in-shops are established inside the large supermarkets in each community. Freshness main task currently is to establish more cold storage Hub Facilities and roll out points of sales. These goals are currently being successfully executed thru-out China.

Freshness Foods and it's Cold Supply Chain delivery systems "**Club Vend**" and "**RUISI**" Cold trucks insure Quality thru the whole supply system directly to the end customers.



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