

**【Press Release-For Immediate Release】**



天韵國際控股有限公司  
Tianyun International Holdings Limited  
(股份代號：6836.HK)

**2020 Annual Results announced  
Net Profit Reached Approximately RMB150 million  
Own Brand Energy Drink Launched  
A New Rapid Development Cycle Begun**

(Hong Kong, 30 March 2021) **Tianyun International Holdings Limited (“Tianyun International”, together with its subsidiaries, the “Group”)** (Stock code: **6836.HK**), a leading seller and manufacturer of processed fruits products in China is pleased to announce its results for the year ended 31 December 2020 (“Year”).

During the Year, the COVID-19 pandemic had severe impacts on the global economy. Production and operation activities were restricted due to the need of pandemic prevention and control. With the outbreak brought under control in China in the second quarter of 2020, production activities were gradually resumed and China’s economic activity entered into the post-pandemic development phase. As fast moving consumer good company focused on food and beverages and despite on the uncertainties of the operating environment brought by the pandemic, the Group could still sustain considerable revenue and profit during the Year. Its financial condition remained robust. As of December 31, 2020, the group recorded revenue of approximately RMB 850.3 million. Net profit reached RMB 149.1 million and basic earnings per share (expressed in HKD) were HK\$0.179.

**SHIOK PARTY “享派” , fruit juice vitamins sports beverage series launched**

In view of the massive development potential in the functional beverage market, the Group has unveiled a fruit juice vitamins sports beverage series under its new own brand “Shiok Party” with the themes of sports and healthiness, after two years of research and development. According to data from international research institutions, the scale of China's functional beverage industry has reached approximately RMB 100 billion with ample room for further development. Of which, the CAGR of energy

beverage segment reached as high as 15% in the past 5 years, with increasing popularity and demand from consumers. “Shiok Party” series beverages are made from natural and healthy ingredients, and contain no added synthetic caffeine nor any preservative. It is formulated to address the needs of city dwellers for healthy food. Shiok Party is suitable for all age groups. Its functionality, flavours, and brand image are designed to meet consumer demands. It is expected that the new product would help the Group speed up the establishment of its market position in China’s functional beverage market, and enhance the Group’s competitiveness and revenue. The new beverage products are also consistent with the Group’s strategy to further diversify its product types and brand portfolio, as well as mitigate the limitations arising from seasonality supply of certain specific fruits.

### **Processed fruit products business continued to flourish**

During the Year, revenue from our sales of processed fruits and beverage products under our own brand was approximately RMB469.4 million, which accounted for 55.2% of the total revenue and represented the largest business segment of the Group. In addition, revenue from sales of processed fruit products on OEM basis continued to contribute a significant portion of the total revenue of the Group and represented 35.4% of the total revenue during the Year and its revenue was approximately RMB301.0 million.

In view of the new consumption trends, the Group conducted marketing activities through various sales channels to raise brand recognition and awareness. The Group developed sales networks that exhibited potential, collaborated with popular online streaming brands and online sales platforms, and expanded its product sales channels to respond to the ever-changing market demands. During the Year, the Group organised promotional activities in conjunction with different themes and festivals, and participated in major exhibitions and fairs in the industry. Product sales were also driven by the positive market responses from the natural and high quality, and diversified packaging of our food and beverages. As of 31 December 2020, products under the Group’s own brands were sold in 27 provinces, direct municipalities and autonomous regions across the country, including renowned chain supermarkets such as RT MART, AEON and Jingkelong. At the same time, The Group continued to improve its production technology during the Year and used new packaging methods preferred by younger age groups, and satisfy consumer’s desire for new tastes, and demand for diverse fruit products and beverages. The Group will continue to launch new products under our own brands “繽果時代 (Bingo Time)”, “天同時代 (Tiantong Times)” and “果小懶 (fruit zz)” .

The Group's OEM business continued to be a steady source of revenue for the Group, with business coverage over renowned international brands across five continents. The Group's products were exported to a diversified range of regions, allowing us to effectively eliminate any concentration risks associated with the focus on only a few markets. As the pandemic continues to ravage the globe, it is expected that there would still be strong appetite in overseas markets for importing various processed fruit products that are made in China, and the Group will continue to grasp opportunities, expanding our OEM business coverage by exploring more business opportunities in overseas markets such as Japan, United Kingdom, Europe, Canada, United States, Australia, New Zealand and Southeast Asia.

### **Provided a wide range of quality fresh fruits**

We continued to trade a small portion of our fresh fruits to fresh fruits wholesalers during the Year. As of December 31 2020, revenue from fresh fruit sales and others recorded approximately RMB 79.9 million. The Group will continue to actively seek business partners that have both domestics and international fresh fruit sales channels and reputable Chinese brands associated with fresh fruits, in order to promote more sales, exchange and process more fresh fruits from different domestic and overseas origins, and bring a richer and more diversified varieties of quality fruits to consumers at large.

### **Production capacity gradually grew**

The Group continued to improve production facilities in order to raise our level of automation and production efficiency. Currently, construction has been fully commenced for the Group's new No. 5 and No. 6 production workshops in Shandong, and it is expected that they will be put into operation by the end of 2021 with gradual growth in production capacity, further raising our overall production capacity. In addition, remodeling of facilities and enhancement of production capacity continued at the Group's production base in Hubei during the Year, effectively increasing the Group's production capacity for beverage products and existing processed fruit products, while also facilitating the Group's arrangements with warehousing and transportation of our own brand products in the Central part of China as well as developing new types of subtropical fruit products. In addition, it is expected that the annual designed production capacity of the Group's new beverage products will be no fewer than 50,000 tonnes in 2021.

### **Actively seek merger and acquisition, and strategic partnership opportunities; Accelerate the expansion of business in tropical climate zone**

The Group actively seeks merger and acquisition, and strategic partnership opportunities with the aim to enhancing our existing business, expanding business network, exploring new markets, technology and invention, and strengthening the Group's overall competitiveness. During the Year, the Group has successfully expanded from its current focus on a variety of processed fruit products to the functional beverages. In particular, the first product of the vitamins sports functional beverage series under our own brand "Shiok Party" was launched with great success during the Year. It is expected that fruit juice vitamins sports beverage products with different features and flavours will be launched soon. The Group will also continue to monitor domestic and international merger and acquisition, and strategic partnership opportunities that can enhance the Group's inherent growth and long-term development.

### **Our Own Brand is an award-winning brand that is highly recognised**

The Group was recognised as the Most Valuable Chinese Brands for a fourth consecutive year and given a brand value of over RMB1.5 billion for the first time in 2020. Meanwhile, the Group was awarded the Hi-tech Enterprise Certificate jointly issued by the Department of Science and Technology of Shandong Province, the Shandong Provincial Department of Finance, and the Shandong Provincial Tax Service of State Taxation Administration, demonstrating a high level of recognition for the Group's research and innovation capability. At the same time, according to an analysis report on recent China's processed fruits and vegetables market industry published by Euromonitor International, a global institution on market data and research, Tianyun International is a leading enterprise in the industry. The comprehensive certifications and awards of the Group has also proven that it has an outstanding brand value and high degree of market recognition. The Group's continuous increase in market share has reflected that consumer recognition of the Group's own brand products is steadily increased.

**Mr. Yang Ziyuan, Chairman and CEO of the Group** said, "The year of 2020 is a key milestone of the fifth anniversary of the Group's listing on the Hong Kong Stock Exchange. Although the macro environment and the world faced tough challenges during the Year, the Group had achieved high-quality development. The key indicators, such as the Group's brand value and scale, continued to improve. The product types and brand portfolio were expanded. The year of 2021 marks the start of China's 14th Five-Year Plan for its economy. It is expected that China's economy would continue to recover and stimulate consumer confidence, and create new opportunities for the future development of the Group. The Group would continue to develop its core competitive advantages, R&D capabilities and launch more new products. The new

flavours of the Group's fruit juice vitamins sports beverage product series and other new types of beverages would be available in the market in the near future.

Our Shandong and Hubei production bases would be boosted by the new production capacities and provide growth momentum to the Group. The Group would continuously seek for merger and acquisition, and strategic partnership opportunities, and accelerate the establishment of new processing and production bases for fruit and beverage products in tropical climate zone. It is expected that a new rapid development cycle would begin that would create the greatest long-term value to all stakeholders and shareholders of the Group.”

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### **About Tianyun International Holding Limited (Stock Code: 6836.HK)**

Tianyun International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in (i) the production and sales of processed fruit products packaged in metal containers, plastic cups, glass containers and aluminium foil bags, ( ii) the production and sales of beverage products and (iii) trading of fresh fruit. Processed fruit products are sold under our own brands “繽果時代 (Bingo Time)”, “天同時代 (Tiantong Times)” and “果小懶 (fruit zz)” and on an OEM basis. Beverage products are sold under our own brand “Shiok Party”.

The Group has been consistently committed to provide healthy and safe products to its customers. As one of the food enterprises with the most complete quality certifications, we have been continuously dedicated to adhering to stringent international production standards and are accredited with BRC (A), IFS Food (High), FDA(FSMA), HALAL, SC, KOSHER, BSCI and ISO22000, etc. in respect of our production facilities, quality control and management. The Group has also passed the internal food production standard reviews and audits from several the UK and US supermarket chains. At the same time, as a Chinese “Equal production line; Equal standard; Equal quality” food production and export enterprise, the Group has been supplying products of equivalent quality to domestic and international markets. Since 2016, the Group's own brand processed fruit products have continued to obtain a high degree of market recognition and became the first fruit processor in China's fruit processing industry to place the “Zero Added Preservatives” label on its products.

The Group was awarded respectively the China's Most Promising Listed Companies by the internationally renowned financial magazine Forbes, and the “2017 Linyi Mayor

Quality Award” as an integrated food production and sales enterprise by the government of the Linyi City of the Shandong Province. The Group’s newly and proprietary researched, developed and produced pure fruit snack food also received a “Certificate of Invention Patent” from the State Intellectual Property Office of the People's Republic of China in 2018.

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