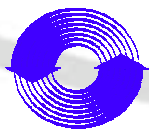


SUNSHINE EXPORT



SEAF Global Investment Partner

Connecting Local Enterprises with the World

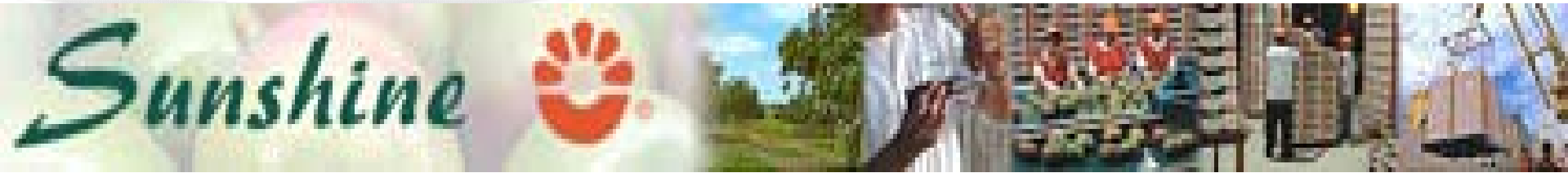
MILDRED O. CALLEAR

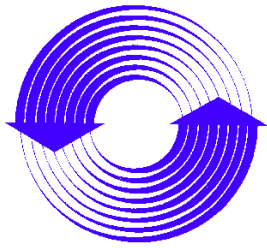
**Executive Vice President & Chief Operating Officer
Small Enterprise Assistance Funds**

MARCH 24, 2009

SUNSHINE EXPORT

- **At time of investment, Sunshine was a fresh mango and avocado packer**, processor and exporter--to the US, Canada, China and EU.
- **24 year-old family run business** now in second generation. Piura, Peru (1,000 km from Lima)
- Approached SEAF with **request for equity capital** —had grown through family investments, internally generated funds and other local sources. Now, second generation wanted significant expansion via patient capital as well as access to related support.





Sunshine fit the SEAF Model

- **SEAF today manages 19 SGB funds** investing equity and debt in more than 25 countries, has made **280 investments** and achieved **160 exits**.
- The average **IRR of exited investments is 17%** for our current funds; **development impact is strong and measurable**.
- SEAF looks for companies with strong entrepreneurs ready to accept third party capital and a full partnership in the business
 - Strategy
 - Governance
 - Operational and Business Support
 - Additional Financing
 - Global Networks
- SGBs have frequently tapped personal and local resources, want **patient capital plus additional know-how and support**
- **SGBs are** more than companies; they are **platforms for achieving local economic and development impact**; Sunshine perfectly fits model

SUNSHINE EXPORT: SEAF's Investment

- SEAF's Trans Andean Fund invested USD **2.2 million** in 2005 for **49.88%** of the company's shares (first outside partner in company history).
- **Diversified** product output with the construction of an Individual Quick Frozen (IQF) and now dehydration processing facilities
 - Increased usable crop from 80% to 100%
- **Expanded** production capacity to the US (requires APHIS certification) and added organic line
- **Reduced** costs, improved margins and increased efficiency
- Projected gross **IRR** at FMV: **34%**



SUNSHINE EXPORT

- **Today** there are **3** operational plants:
 - Fresh fruit packing plant
 - Frozen fruit processing plant
 - Dehydration plant (trial operations)
- Is now **largest Peruvian mango exporter** with **15%** of all exports (2007/2008)
 - **Sales increased 35%.**
Need for additional working capital.



SUNSHINE EXPORT: Trade Financing for Local Farmers

Triodos Bank



- SEAF approached Triodos Bank for financing for Sunshine. Triodos teamed up with Root Capital and together they have provided USD **1.5 million in loans** for pre-shipment **working capital** to finance the local farmers' ability to grow and pick the fruit prior to sale.
- Guidance and information on **social and environmental issues**.



Fernando Wong, Sunshine Founder



SUNSHINE EXPORT: Development Impact



- Works with **700 mango and avocado farmers** of all sizes in **high unemployment areas** in Northern Peru, each of whom employs its own workers.
- **Connects small producers** to export markets and helps them access financing.
- All relationships with growers are **formalized** with signed **seasonal contracts**.
- Offers **technical assistance** to all its producers, including for organic production and certification.
- Employs two agronomists, who promote **Good Farming Practices** and the **EUREGAP standards**.
- Organizes **social activities** for farmer communities:
 - Summer school, serigraphy lessons, visual arts, holiday events

SUNSHINE EXPORT: Employment Generation

- **Employs 320 individuals** in processing plant in **formal jobs** that contribute to government social welfare scheme and add to local tax base.
- By adding avocados and now pineapples to the product mix, **processing season has been extended** and seasonal jobs (between 1,000 to 2,000 on average) provide **more income**.
- Provides continuity and certainty to seasonal sector employment, **allowing employees to plan for the future**.
- **Total employment** on farms and in plant is **3000 people** at high season.



SUNSHINE EXPORT: Income Generation



- **Prior to investment:** Farmers could sell only whole, perfect fruit to Sunshine for export. Individual mangos would be selected from plants for purchase. Remainder would be **sold for low prices** on local market or, in years of oversupply, **not sold at all**.
- **Post-investment:** With addition of processing plant, now **100% of production is sold**, resulting in **significant increase in farmer incomes**.
- Farmers now able to enter into **purchase contracts** guaranteeing sale at an agreed price in advance.

SUNSHINE EXPORT: Sol Radiante



Sol Radiante is an **NGO** established by Sunshine.

- **Social Training Program** (1480 participants, inc. 700 children)
 - Education on **health, water sanitation, the environment, gender equality, global issues**, etc.
- **Technical Assistance Program** (600 farmers)
 - Trained in **organic production** methods and helps cover cost of **annual certification**.
 - Donor resources now constrained; **needs funding to continue**
 - These operations help Sunshine **retain and grow its supply chain** while providing **assistance to the local community**.

