



Understanding of Korean Agrifood Market

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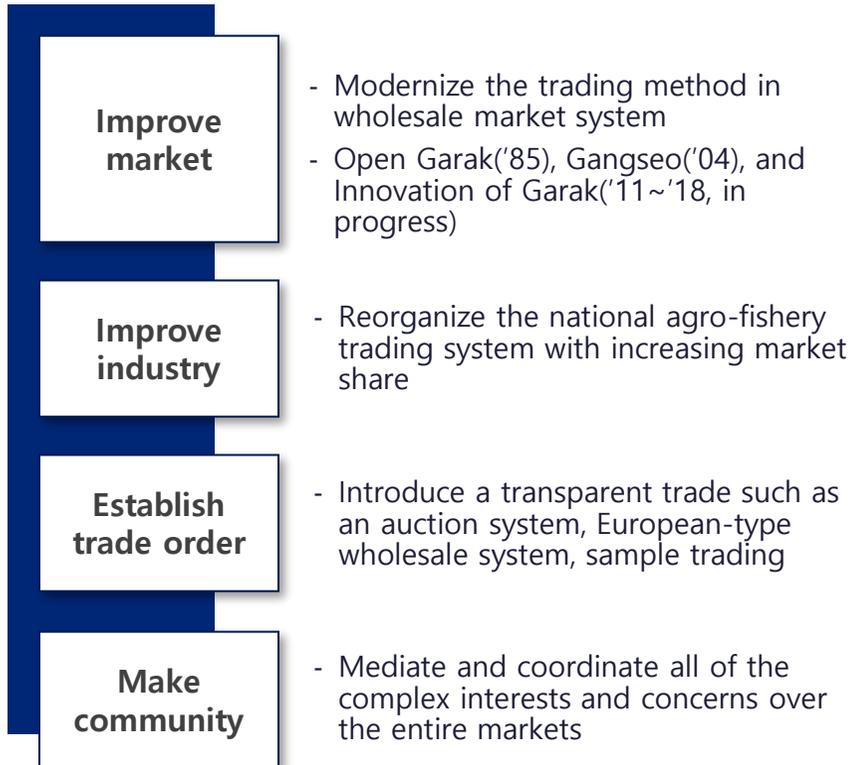
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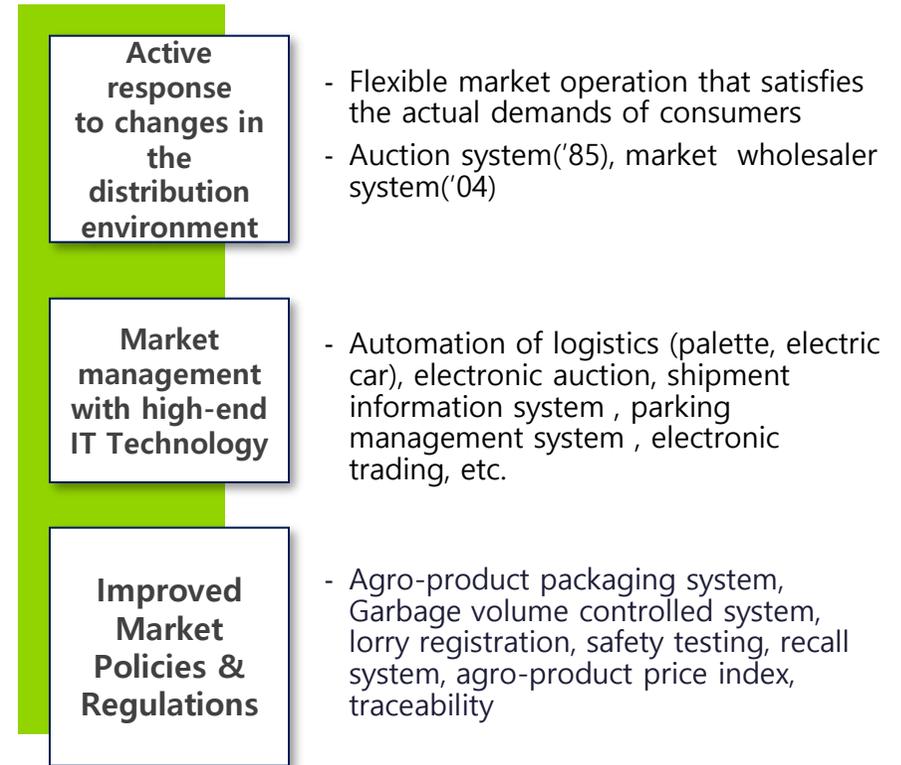
Well-experienced in Agrifood business in korea

We are well-experienced in growth of wholesale business and responding the environmental changes with high-end IT technology and innovative operating system.

Experienced in growth and operation



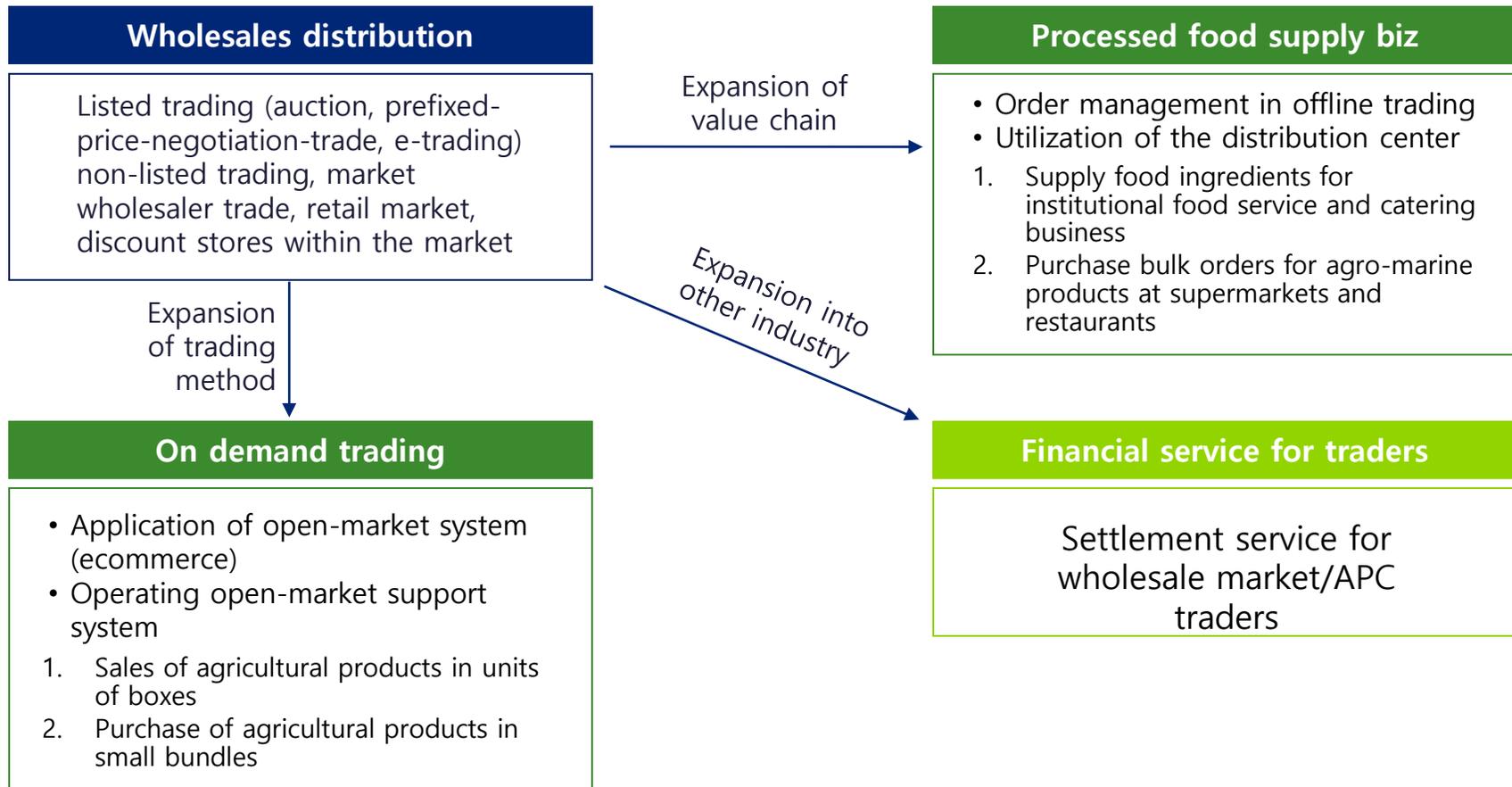
Experienced in responding the environmental changes



Several new business models is on going

With the current wholesale business as the basis, we possess successful new business models, i.e. food and process, on demand trading, and farmer/shipper care. And we're still generating more.

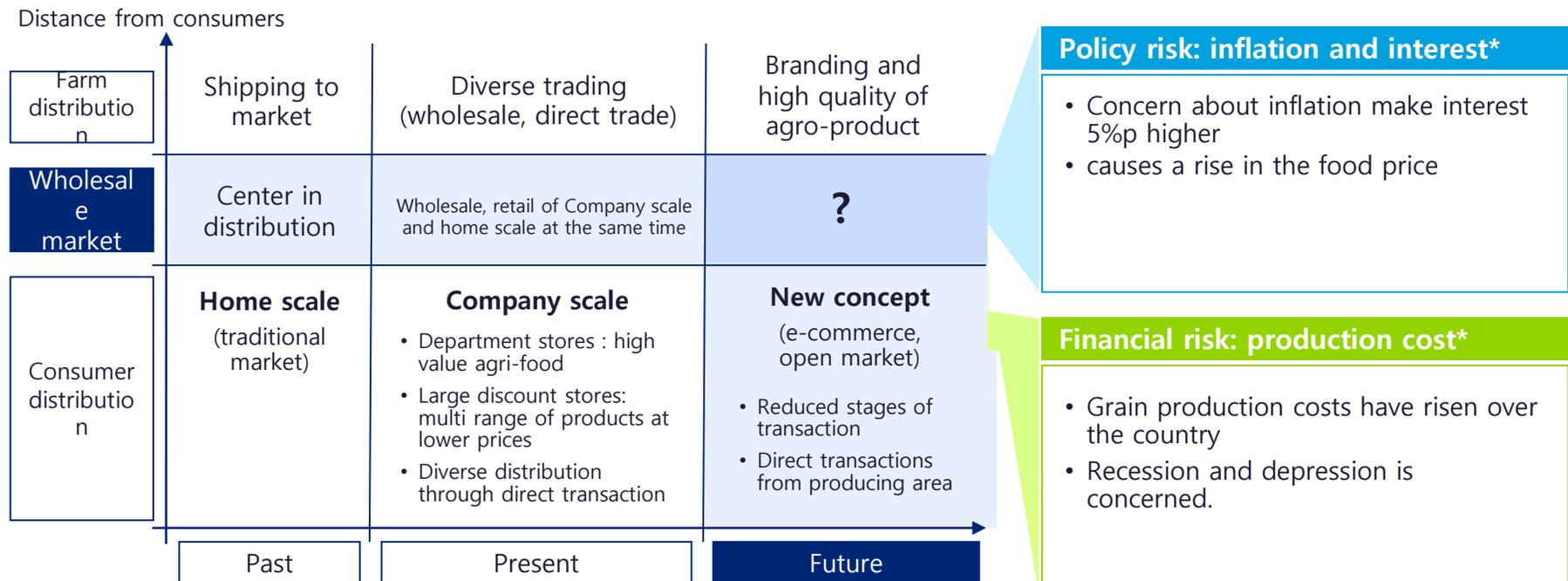
Generating new business models based on wholesale market



Agricultural market in KOREA

The agricultural distribution industry in Korea has been changing from home(small) scale to company(large) scale and the market risks are increasing in policy and grain production cost.

Historical structure and future prospects of agricultural distribution industry (major risk factors in present)



How the Market Works: The People Who Work There

The market's many functions, and the key roles of the people working there.

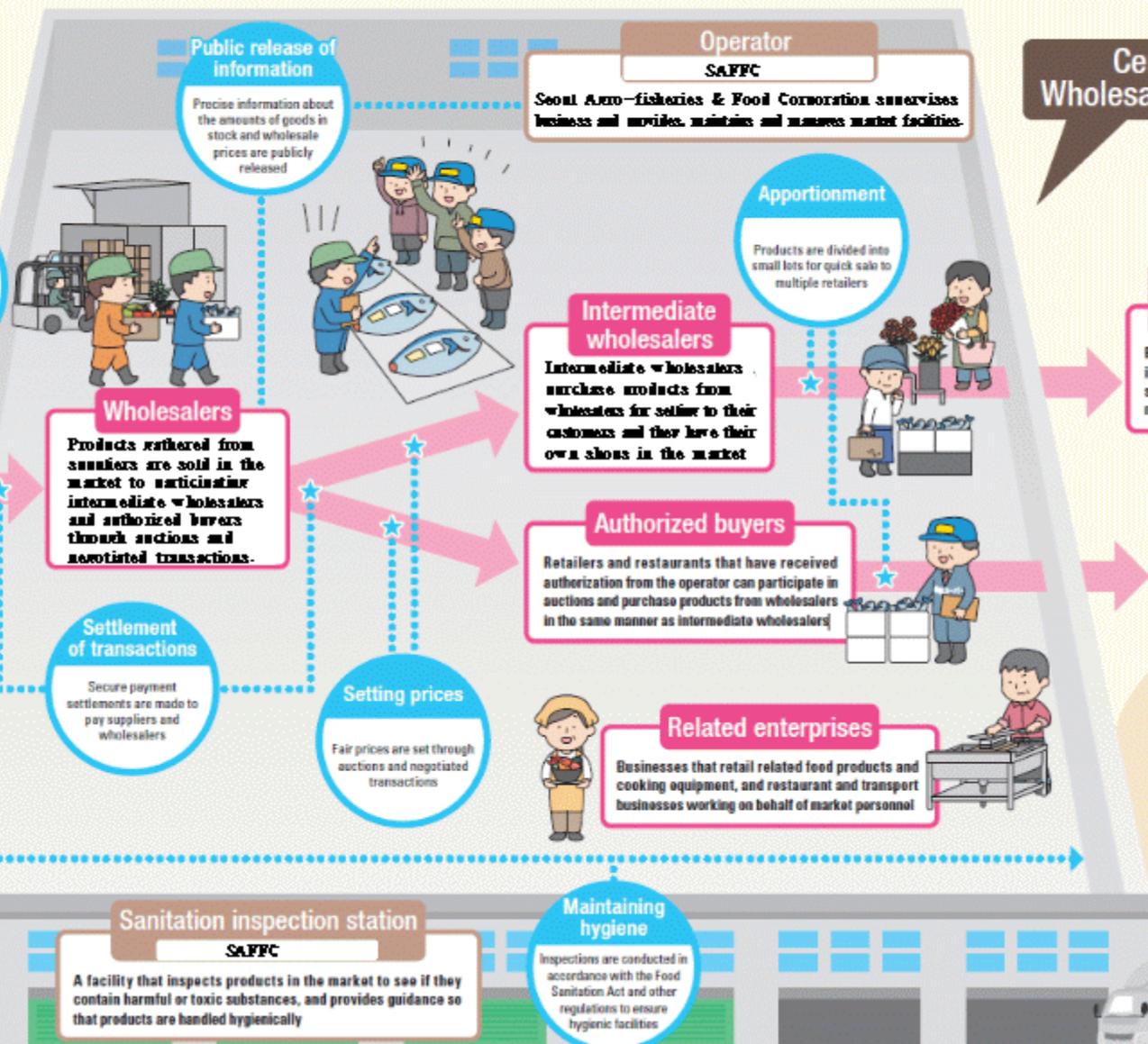
Seoul Aero-fisheries & Food Corporation



Collection
Large quantities of assorted products are brought in from inside and outside Korea

Suppliers

- Producers
- Supplier organizations
- Importers • Other



Central Wholesale Market

→ The flow of business

Challenges

■ Externally

- Re-arranged by large retailers
- A change in food consumption
- New competitors from various channels



Challenges for wholesale Market

Internally

- Old facility structures
- Traffic congestion
- Inadequate distribution facilities

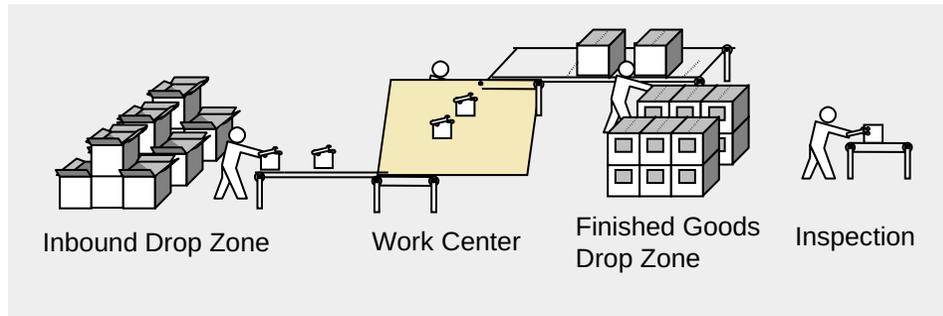


1. Trading system

functions of wholesale market will be expanded including advance reservation, order, delivery

Trade at negotiated price, advance booking

Trade at advance order, institutional buying for food ingredient, small supermarket



Delivery center □ Passing through(TC)

Small pack processing center □ Small packaging/processing/pre-treatment/HACCP(PC)



listing



Auction



buyer



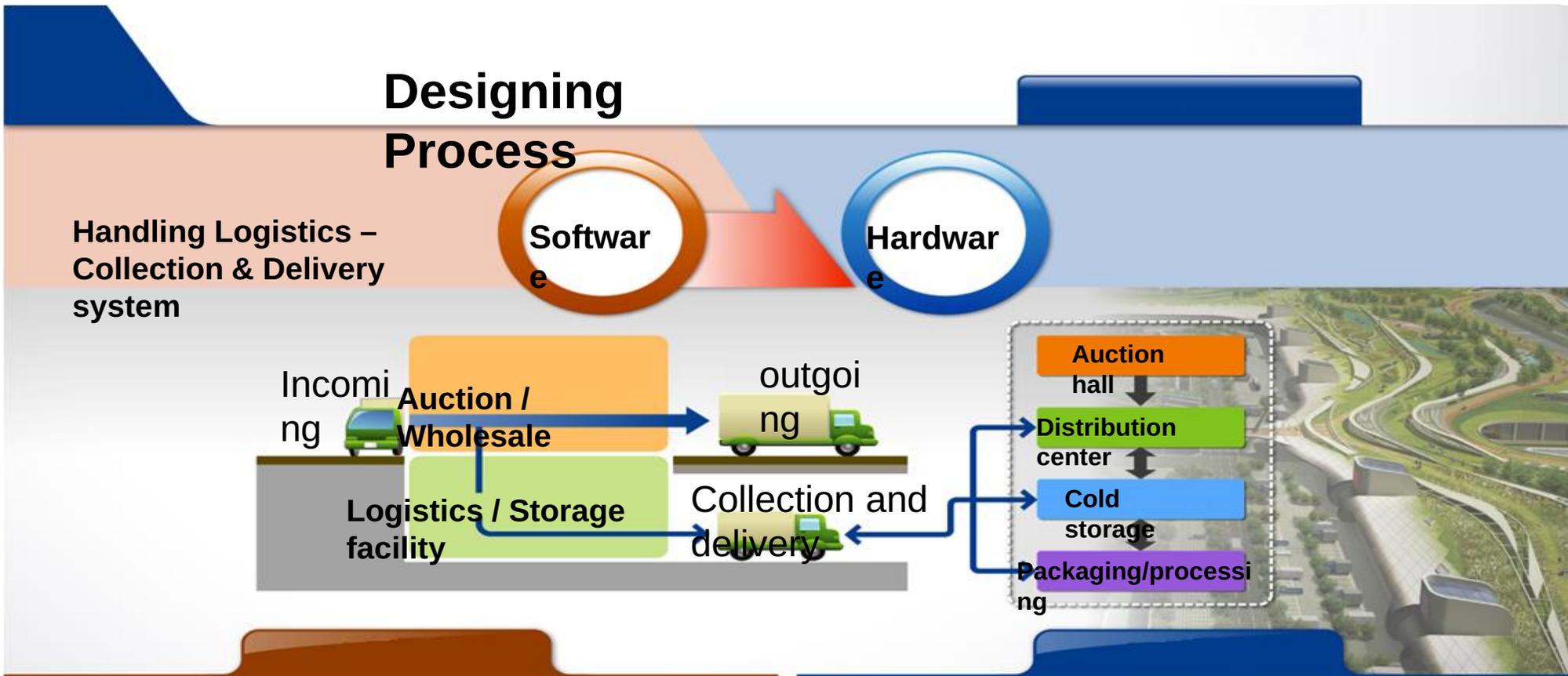
delivery



customer

Warehouse □ Storing work(DC)

2. Efficiency of Logistic distribution



- Mechanized loading/uploading enables adjustable levels of docks.

- Ramps installed by items, by unit will give visitors a easier access
- Construction design will reflect future expansion of cold chain system

3. Warehouse

To enhance space efficiency for wholesale market, to maintain food quality

General

First in, first out / location : Not managed



Automation

First in, first out / location : Strictly managed



- Turning individual warehouses into common usage, boosting space efficiency
- Introducing automation warehousing to manage efficiently first in, first out/location

4. Expanding small packaging, processing facilities

To add value with small packaging, pre-treatment → to diversify value-added activities at the wholesale market

Simple processing

Processing at shops □ Buyers



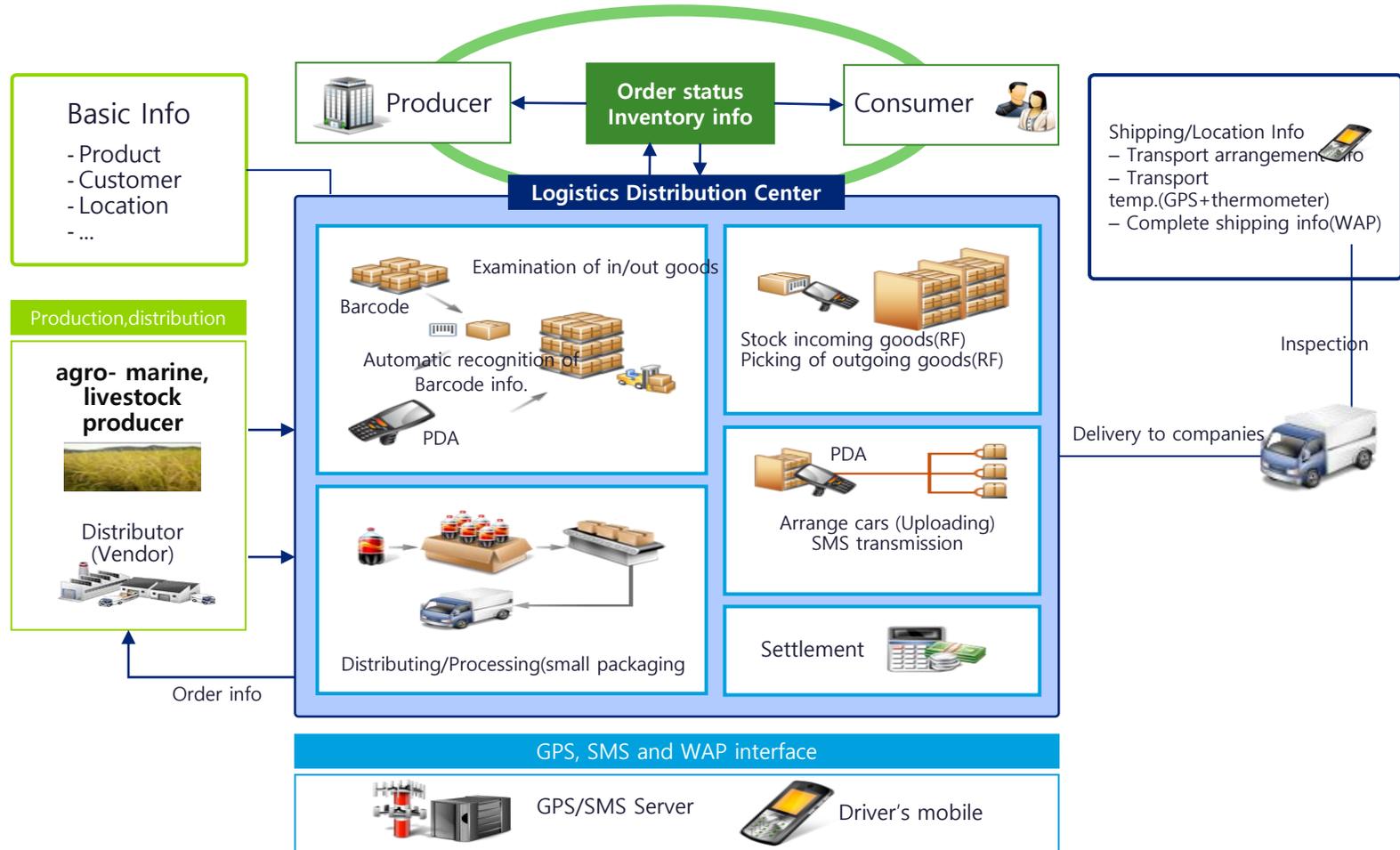
Small pack, pre-treatment HACCP

Small pack, processing center □
Buyers

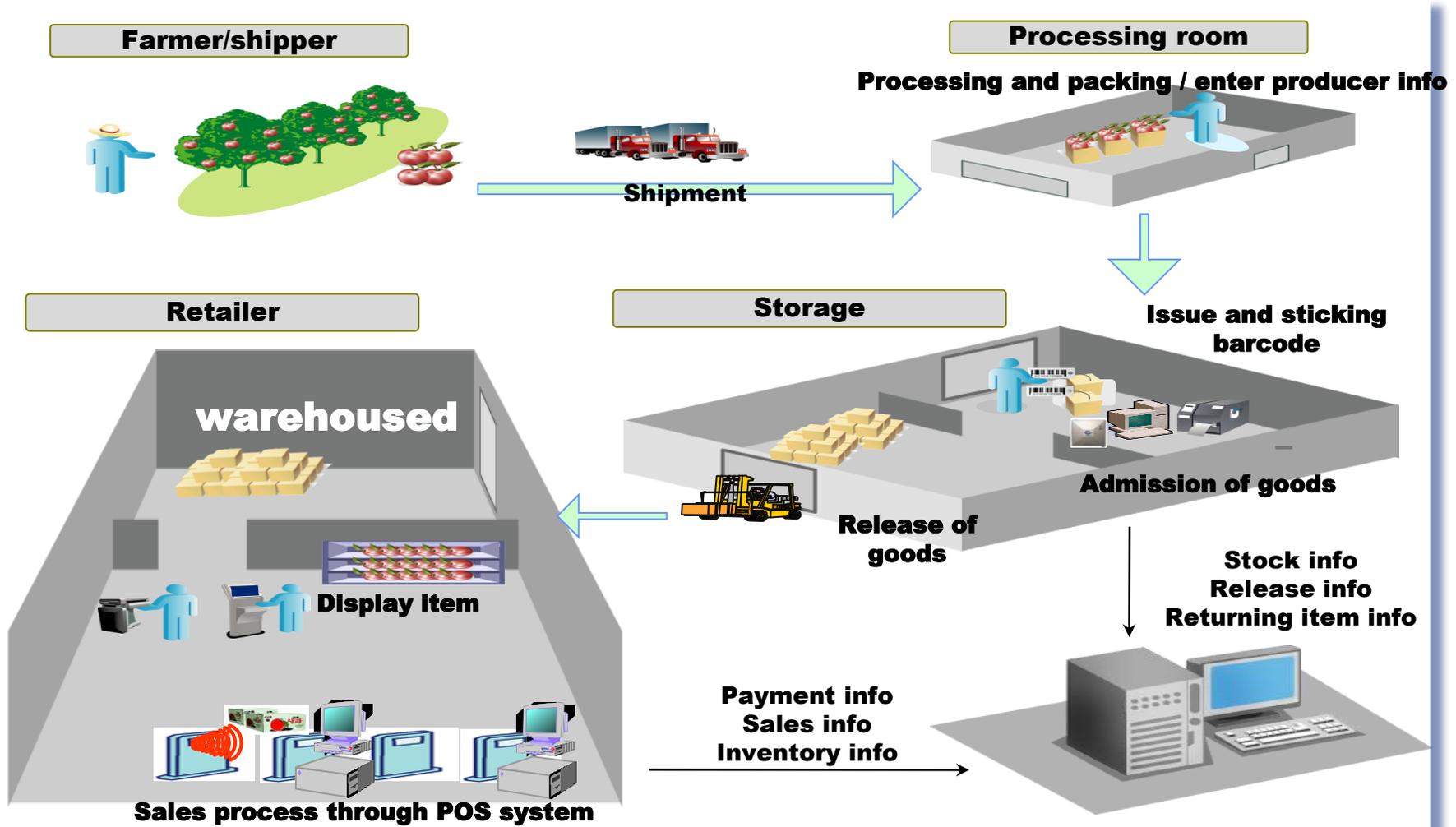


- From simple processing at shops To more organized, customized center
- Small package, pre-treatment, HACCP to add values to food products

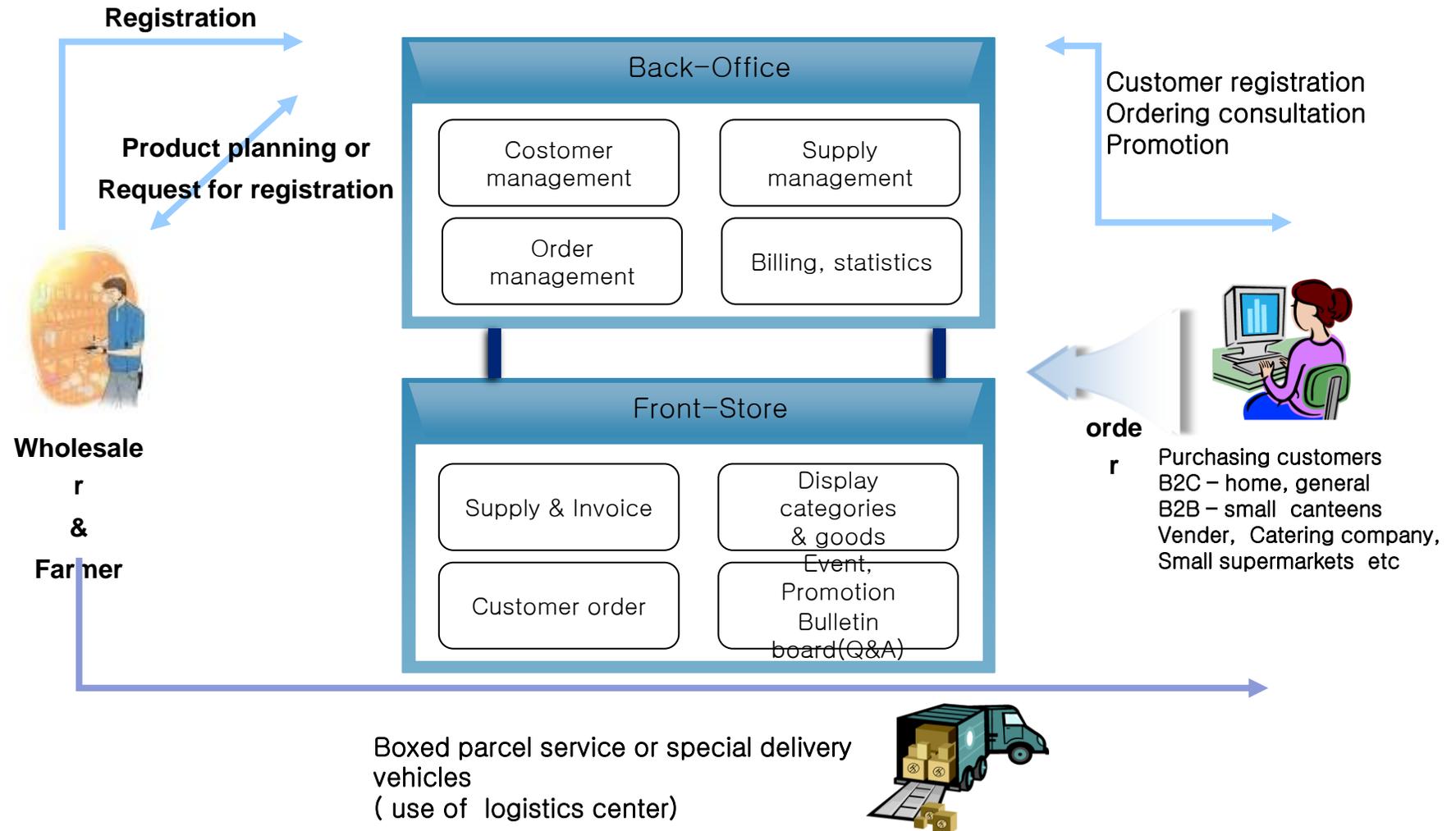
APC Food processing delivery



Modernized wholesale direct sale center process



E-commerce based on Wholesale Market/APC



Q&A