

ALL<sup>ST</sup>

ALL STREET. TRANSFORMING RESEARCH



---

SurePure Inc.



## Business Overview

**ESTABLISHED:** 2005

**LOCATION:** USA, Switzerland & South Africa

**LISTING:** OTC QB

**NUMBER OF EMPLOYEES:** 6

**ISSUED SHARE CAPITAL:** As at 30 September 2016: 61,750,000 common shares issued of \$.001 par value<sup>1</sup> and 14,800,000 preferred shares issued of \$.01 par value

### BUSINESS AREA:

Photopurification; Environmental Sustainability

### COMPANY WEBSITE:

[www.surepureinc.com](http://www.surepureinc.com)

### BUSINESS OVERVIEW

Established in South Africa in 2005, SurePure Inc (SurePure) is a world leading developer of liquid photo purification technology solutions, the green alternative to pasteurisation and chemicals. Using its internationally patented “Turbulator” technology, the company uses ultraviolet light, rather than heat, to purify both turbid (opaque) and clear liquids. This technology is used to purify microbiologically sensitive liquids such as wine, fruit juice and milk.

The use of ultraviolet light in the photo purification process can achieve the same or superior microbiological efficacy for pasteurisation of both clear and turbid liquids without the concomitant energy consumption or degradation of the liquid that result from biochemical or organoleptical processes.

SurePure operates globally and its holding is in the United States with operating entities in Switzerland and South Africa. The company has distributors in the US, South America, Australasia and Europe. The company has six employees and utilises the services of technical institutes and consultants to support its activities globally.

In 2012, SurePure Group became quoted on OTC QB market in the US.

### SOCIAL MISSION

SurePure aims to reduce the cost and complexity of liquid processing whilst providing a product that is both safe to consume and more natural in its constituency. The company’s social and environment objectives are to:

Reduce the amount of energy required in liquid purification. Current mainstream liquid purification technologies are based primarily on the use of high-energy technologies such as pasteurisation.

Reduce the amount of chemicals required in liquid purification. Industrial processes often rely on the use of chemicals to clean liquids, which can cause harm when discharged in aquatic environment.

Reduce the expense involved in purification to improve the lives of farmers, who usually face high costs when purifying liquids such as milk. The SurePure Turbulator aims to deliver energy and water savings to its customers, greater food safety and healthier, more wholesome and better-tasting products for consumers.

### WHO BENEFITS?

**CUSTOMERS (LIQUID PROCESSING COMPANIES):** The Turbulator provides an energy-efficient, chemical-free technology for liquid purification.

**END CONSUMERS OF PURIFIED LIQUIDS:** UV-treated liquids can have improved nutritional content.

**THE ENVIRONMENT:** SurePure’s technology can help reduce energy use and other input requirements such as cooling water, which in turn can benefit the environment.

<sup>1</sup> As at 30 September 2016

# Commercial and Financial Summary

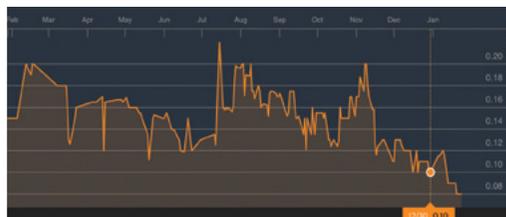
## CAPITAL STRUCTURE

SurePure Inc is primarily financed by equity. As at 30 September 2016, share capital is as follows:

Common stock, \$.001 par value, 200,000,000 shares authorised, 61,750,000 shares issued and outstanding (58,533,992 shares issued and outstanding at December 31, 2015).

Preferred stock, \$.01 par values, 31,155,282 shares authorised, 14,800,000 shares issued and outstanding (14,800,000 shares issued and outstanding at December 31, 2015).

## PRICE CHART



## FINANCIAL INFORMATION

**TICKER:** SURP

**SHARE PRICE:** \$0.10 (close 31/12/16)

**MARKET CAP:** \$6.8m<sup>2</sup> (close 31/12/16)

## FINANCIAL PERFORMANCE

\$'000	2015	9m Sept16
Revenue	2,454	1,297
Gross Profit	1,179	566
Net profit / (loss)	(697)	(856)
Net assets (liabilities)	(1,426)	(1,809)
Cash at bank	5.47	0.747
Shareholders' funds	33.5	33.5
Cash flows from operating activities	(37.2)	(337)

## BUSINESS HIGHLIGHTS

SurePure reported revenues of approximately \$1.3m for the nine months ended 30 September 2016, resulting in revenues of approximately \$6.7m since inception.

Since its inception, SurePure has had net losses of approximately \$35.9m.

During the first half of 2016 validation projects in conjunction with a major brewer and a major carbonated soft drink brand have been the primary focus of the company's management.

The company is currently seeking to expand the commercial acceptance of the SurePure Turbulator purification systems in different markets.

SurePure also has ongoing joint projects with leaders in the beverage, brewing and industrial sectors. However, substantial time periods can elapse before commercial orders result, if such orders result at all. The company's ability to continue to participate in validations and to accept orders for its technology are subject to availability of working capital in sufficient amount to allow it to continue its operations. The company currently has a diminished level of working capital.

<sup>2</sup> Source: Bloomberg

# Impact Assessment Matrix

## ECONOMIC IMPACT

	MEASUREMENT	REPORTED OUTCOME
<b>Productivity</b>	Corporate savings generated by cost efficient technology	None reported
<b>Health Spending</b>	Reduced health costs for end consumers	None reported

## SOCIAL IMPACT

	MEASUREMENT	REPORTED OUTCOME
<b>Health &amp; Wellbeing</b>	Improved nutritional content	None reported

## ENVIRONMENTAL IMPACT

	MEASUREMENT	REPORTED OUTCOME
<b>Gas Emissions</b>	Targeted Greenhouse gas emissions avoided per new brewery client (tCO <sub>2</sub> e / yr)	South Africa: 41,666 US: 17,969 Europe: 24,222
	Targeted particulate matter emissions avoided per new brewery client (tPM10-e / yr)	South Africa: 96 US: 69 Europe: 14
	Targeted nitrogen oxides emissions avoided per new brewery client (tNOx / yr)	South Africa: 161 US: 24 Europe: 22
	Targeted sulphur dioxides emissions avoided per new brewery client (tSO <sub>2</sub> / yr)	South Africa: 273 US: 40 Europe: 26
	Tons of CO <sub>2</sub> savings per year versus pasteurisation for dairy milk	5,800
	Targeted metric tons of CO <sub>2</sub> emissions avoided per metric ton of juice produced by processing clients switching from competing technologies	All competing technologies included: South Africa: 0.259 US: 0.111 Europe: 0.151

## GOVERNANCE

	MEASUREMENT	REPORTED OUTCOME
<b>Corporate Governance</b>	Independent board members	None reported
	Audit committee, Compensation committee, nominating or corporate governance committee	None reported

## MUST READ

This report has been commissioned by the Social Stock Exchange Limited and prepared by All Street Research Limited ("All Street Research").

All Street Research has produced this report in reliance on an exemption from the Financial Promotion Restriction to be found in article 20 of the Financial Services and Markets Act 2000 ("FSMA") (Financial Promotion) Order 2005.

For these purposes, All Street Research's reports and website are considered to be a publication or service that is a "qualifying publication" under that article and under article 54 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001. It is therefore clearly understood that: No part of this research report amounts to the provision of investment advice specific to the investment circumstances of any user or other person.

This report is not to be construed as advice or recommendations to you specifically. This report is directed at individuals having sufficient investment sophistication to critically assess the information, analysis and opinion presented in herein. You should do your own due diligence, and take into account your personal financial circumstances and investment objectives, including your tolerance for risk, before investing.

By accepting this report you are deemed to warrant and to undertake that:

- (i) you are sufficiently expert to understand the risks involved with the investments to which this report relates; and
- (ii) you will comply with all applicable provisions of FSMA and the Financial Promotion Order with respect to anything you do in relation to this document.

If you are in any doubt about the investments to which this communication relates you should consult an authorised person who specialises in advising on this kind of investment

Provision of this report is not, in and of itself, intended to lead or to enable persons to invest. This report and any other materials on our website or publications should not be construed by any subscriber or prospective subscriber as a solicitation to effect, or attempt to effect, any transaction in a security. Use of All Street Research information available from this report is at your own risk. In no event will you hold All Street Research or any affiliated party liable for any direct or indirect trading or investment losses caused by any information on this document.

Trading involves risk, including possible loss of principal and other losses. All Street Research makes no representations that any of its materials will result in profits in trading. The value of securities mentioned in this report can fall as well as rise and are subject to large and sudden swings.

In addition it may be difficult or not possible to buy, sell or obtain accurate information about the value of securities mentioned in this report. Past performance is not necessarily a guide to future performance.

This report is published solely for informational purposes and is made available on a complimentary basis. This report is based on publicly available information, together with information provided by the companies profiled in this report. Such information is presented "as is," and All Street Research cannot guarantee the adequacy, accuracy, completeness or timeliness of such information. Any forward-looking statements, opinions, views, subjective statements, and other commentary (together, "Subjective Statements") contained herein do not represent the views or opinions of All Street Research, but have been reproduced from publicly available third party sources, or from information supplied by the companies profiled herein. Such Subjective Statements contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations. Any consensus forecasts provided herein have been reproduced in their entirety from publicly available information produced by third party data providers.

Cut-off dates have been applied to the information contained in the report such that some of the information published in the report may have changed between such cut-off dates, and the date of publication. Such changes may in some cases be material, such that there may be material differences between the current state and financial position of the companies and securities profiled herein, and the information presented herein. You should assume that all information that you review through this report is subject to change or updating at any time, and may be updated or deleted without warning or liability on our part. We may have previously distributed (and may in the future distribute) the information in these reports and analyses in different forms, including materially different or updated business, financial and market information in relation to the companies profiled herein.

Neither All Street Research nor any persons connected with All Street Research have any direct or indirect financial interest in any company that is reviewed in this report.

You agree that you will not communicate any content of this report to any other person unless that person has agreed to be bound by this Disclaimer. If you are acting as an agent for any other person, such person must also be identified by name to All Street Research. None of the material or any copy of it may be altered or distributed to any party without express written permission from All Street Research.