



SELECT HARVESTS

Select Harvests Limited (ABN 87 000 721 380)

Level 3, Building 7 Botanicca Corporate Park
570-588 Swan Street Richmond VIC 3121 Australia
Telephone +61 3 9474 3544
www.selectharvests.com.au

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ASX Announcement

2025 Business Update

Select Harvests Limited ('Select Harvests' or 'Company') today provides a business update.

- Strong and increasing almond price A\$10.35/kg
- Updated crop estimate 24,000 MT – 26,500 MT
- Strategy on track

The macro-economic conditions for the Australian almond industry are extremely positive and Select Harvests expects them to continue. This, together with the strategy the Company is executing, is expected to bring future benefits that can be leveraged in a higher priced environment. The reduced crop size in 2025, is a function of growing conditions.

Managing Director and CEO David Surveyor, said "Select Harvests is seeing strong almond pricing with our forecast price now sitting at an average A\$10.35/kg with favorable fundamentals expected to continue. We expect the 2025 crop to be lower than forecast based on weighbridge and crack-out data to date. Our updated forecast is 24,000 MT – 26,500 MT, a reduction from our prior forecast of 27,500 MT – 29,000 MT. The increase in price is expected to help offset the lower crop forecast.

Select Harvests' sales program is well underway with approximately two thirds still to be sold. Select Harvests is well-placed in the current market. Furthermore, 86% of the 2025 crop is hedged at an average AUD/USD exchange rate of 0.648.

The Company strategy remains on track and is expected to create material value for shareholders."

Positive Forward Outlook

Supply

We expect the 2024 US crop to conclude at around 2.7 billion lbs given the Almond Board of California's March 2025 Position Report and carry forward volumes to be below last years' 500 million lbs.

The USDA is yet to announce its subjective forecast for the 2025 US crop (expected to be announced 12 May 2025) however weather conditions during bloom were variable with frost, hail and reports of bee colony deaths. These issues, combined with a range of farming hygiene practices which will impact quality (depending on the circumstances of individual farmers), are expected to negatively impact the 2025 crop size.

Demand

Select Harvests continues to see strong demand from our key markets.

We are seeing strong demand from China and inventory in supply chains is low. Recent months have also seen strong underlying demand from India, with the limited supply of inshell from California and the 2025 crop unlikely to be available in time for the key Diwali celebrations in October. Select Harvests is well-positioned to fulfill demand from India for the festive season.

Pricing

The supply and demand dynamic is positive for almond pricing, evidenced by increasing almond prices across all grades. With customers holding short buying positions we anticipate continued demand. We expect price to remain strong over the medium to long-term.

The impact of the shift in the US tariff regime is still unfolding, however, it is likely to drive further price upside for Select Harvests. We have in recent days seen China respond to the US with a retaliatory tariff for almonds. The European Union has recently delayed its retaliatory tariffs to 1 December 2025 and should this occur, it will support prices further.

The Company's forecast 2025 crop price has increased from A\$9.20/kg to A\$10.35/kg.

2025 Crop Forecast

Select Harvests has processed 35% of its crop to date, consisting of the Nonpareil variety and we are yet to process our pollinator varieties. Accordingly, the forecast of 24,000 MT – 26,500 MT is an extrapolation of Nonpareil and an estimate of pollinator varieties based on field weight and historical crack-out rates. The quality metrics are positive and we expect another year with a good quality profile of inshell and kernel which will help support pricing.

The expected reduced crop for 2025 is the result of:

- The trees producing a larger hull size relative to kernel size and therefore the crack-out percentage on Nonpareil is low;
- The 2025 crop experienced a bloom below the strength of the previous bloom, in particular Nonpareil; and
- There were approximately 500MT of losses associated with frost.

The Company's crop volumes are consistent with lower volumes being delivered by our external growers and the feedback we have received across the industry in Australia. We do not expect the 2025 crop outcomes to have any bearing on future crops and we expect to see the initial benefits of the implementation of our horticulture strategy in 2026 and the full benefits in 2027.

Strategy

The Company strategy continues to progress and will provide leverage to the positive almond macro-economic conditions.

Sales velocity has increased with an expanded customer base that is broad enough to consume increased volumes from Select Harvests. The Company is using data to improve its pricing practices and has reviewed opportunities to obtain margin advantages against Californian supply and has accordingly increased weighting to China.

The Company is driving for increased crop productivity with better yields. As we benchmark our farm performance, we are confident we will get more yield over time as we optimise fertiliser and increase bee density and water. The return on these initiatives is substantial. We contracted an increase in external volumes in 2025 but given the Australian crop size we expect to receive a reduced volume for this year before recovering in 2026.

Last year we successfully completed our first phase capacity expansion at the Carina West Processing Facility, to 40,000 MT. We are now executing Phase 2 of the capacity expansion that will increase capacity to 50,000 MT. For a total investment of approximately A\$6m (Phase 1 & 2), Select Harvests will have added capacity equivalent to a new green field plant.

The Company continues to work on improving efficiencies and costs. On farm improvements include spray efficiency, seasonal labour and a simpler organisational design. Processing improvements include cost savings with fewer line stops, lower packaging costs and lower labour costs.

We see upside growth in the business through a series of operational gains:

- Capturing as much price as we can;
- Maximising our yields and profitably adding external supply;
- Expanding the Carina West Processing Facility;
- Continuing to use the Project Management Office to ensure the operating discipline to deliver gains;
- Staying low on the cost curve.

Summary

In closing, David Surveyor said “The global economic environment for almonds is positive and is expected to drive increased profitability across the industry in the coming years. The lower crop is a result of a number of factors impacting on the industry generally. Whilst, agriculture has some inherent variability, the scale and shape of Select Harvests is changing as we seek to build a more efficient and resilient business for the benefit of shareholders.

Select Harvests remains committed to growing, processing and selling as efficiently as we can.”

This announcement is authorised for release to the ASX by the Board of Select Harvests Limited.

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FOR FURTHER INFORMATION, PLEASE CONTACT:

David Surveyor, Managing Director & CEO

+61 3 9474 3544

Liam Nolan, Chief Financial Officer & Company Secretary

+61 3 9474 3544

Andrew Angus, Investor Relations

+61 402 823 757

About Select Harvests:

Select Harvests Limited (ASX:SHV) is an ASX-listed, fully integrated almond business consisting of orchards (company owned, leased, joint venture and managed), primary processing (hulling & shelling), secondary value-added processing (blanching, roasting, slicing, dicing, meal and paste) under the Renshaw & Allinga Farms brands. Australia is a significant global almond producer and Select Harvests is one of Australia's largest almond companies, supplying almonds domestically and internationally, to supermarkets, health food stores, other food manufacturers, retailers and the almond trade.

The Company is headquartered in Melbourne, Australia, while its orchards are in North West Victoria, Southern New South Wales and South Australia. Its almond processing and value-adding facility (Carina West Processing Facility) is located at Wemen in North West Victoria.

For more information, visit www.selectharvests.com.au.