



SELECT HARVESTS

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ASX Release – Company Announcement

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SELECT HARVESTS LIMITED CROP AND MARKET UPDATE

Paul Thompson, Managing Director of Select Harvests Limited (“SHV”), announces the following update on the 2022 crop and current market conditions.

Crop Update

Select Harvests’ 2022 crop is progressing as planned. Quality and sizing are in line with expectations and harvest should commence mid-February. Despite the recent fire event, the Carina West processing facility will be fully operational for the commencement of the 2022 harvest. Planned upgrades to the Parboil value-adding facility have been completed on time and budget. This allows Parboil to increase throughput and expand its range of value-added products (e.g. paste, sliced and diced products) to meet growing market demand. The recent rains and storms in the Riverland and Mallee have had no adverse impact on the crop quantity, quality or harvest preparations.

Market Conditions

Following the strengthening of global almond prices in the second half of 2021, pricing has recently returned back to similar levels as those reported last year. Market pricing continues to remain volatile.

The December 2021 US position report indicated that the US 2021 crop would be in line with forecast (2.8 Billion pounds). Additionally, reported sales were strong with US growers currently looking to convert inventory to cash in order to reduce current stock levels and fund their 2022 crops. Continuing global shipping congestion is causing ongoing delays to customer deliveries leading to higher levels of physical stock holdings. These factors have caused pricing to reduce to current levels.

Recent weather events in California (increased rainfall and snowpack development) have eased some previous concerns over the US 2022 almond crop. It is too early to determine the size and quality of the US 2022 crop, to commence harvest in August 2022, and what the impacts of the recent drought conditions will have. The next indicator will be their bloom period occurring next month.

The December Australian position report showed strong shipments to key markets despite the ongoing shipping delays. Select Harvests continues to experience positive demand from export and domestic customers. Currently, approximately 10% of Select Harvests’ forecasted 2022 crop is committed to targeted export markets.

A further update will be provided at Select Harvests’ 2021 AGM to be held virtually on the 25th of February 2022 at 11.00am. The link to the meeting is as follows: <https://meetnow.global/M4V72UG>.

Further attendance instructions can be found in the Notice of Meeting released on the 24th of January 2022.



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Conclusion

Paul Thompson said:

“Select Harvests’ 2022 crop is progressing well and is expected to be in line with expectations for quality and sizing. Our staff, contractors and suppliers have done a great job to ensure our processing facility will be fully operational for the commencement of harvest following the fire event last month. While global almond pricing has reduced in recent months, Select remains in a strong position given its lower quartile cost of production and investments in processing and value add technology. The macro for almonds remains strong and we expect pricing to improve in the short to medium term.”

ENDS

This announcement has been approved by the Board of Select Harvests.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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About Select Harvests:

Select Harvests Ltd (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 industrial brands. Australia is a significant global almond producer and Select Harvests are 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 at Richmond, an inner eastern suburb of 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) is located at Wemen in North West Victoria.

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