

A close-up photograph of an almond tree branch. The branch is covered with vibrant green, serrated leaves. Several fuzzy, light-brown almonds are clustered together, some in sharp focus and others blurred in the background. The overall scene is bright and natural.

Wonderful®
ALMONDS

Almond Industry Update

As of 4-18-2022

CY 2021 Year to Date Demand Highlights

as of 4/12/22 - 8th month of the Crop Year

		Shipments		Committed Not Shipped
		March	Crop to Date	
Overall:	CY'21	245	1,683	832
	CY'20	267	1,979	812
	Change: In %	-8.1%	-14.9%	2.5%
	In millions/lbs.	(21.7)	(295.8)	21
Domestic	CY'21	72	517	306
	CY'20	71	532	325
	Change: In %	0.8%	-2.8%	-5.9%
	In millions/lbs.	0.6	(15.0)	(19)
Export	CY'21	173	1,166	526
	CY'20	195	1,447	486
	Change: In %	-11.4%	-19.4%	8.2%
	In millions/lbs.	(22.2)	(280.8)	40
Total CY YTD Sales		Domestic	Export	Total
(Includes Shipments & Commitments not Shipped).	CY'21	823	1,692	2,515
	CY'20	857	1,933	2,790
	Change: In %	-4.0%	-12.5%	-9.9%
	In millions/lbs.	(34)	(241)	(275)

CY 2021 Year to Date Demand Highlights - continued

as of 4/12/22 - 8th month of the Crop Year

California Industry Historical Supply and % Sold by End of March

Crop Year	Committed & Shipped by End of March	Total Saleable Supply		Total Target/Actual Crop Year Shipments		Total Net Edible Crop (= Gross less Inedible)	
		Pounds	% Sold	Pounds	% Sold	Pounds	% Sold
CY 21	2,515	3,460	73%	2,570	98%	2,852	88%
CY 20	2,790	3,506	80%	2,898	96%	3,048	92%
CY 19	2,237	2,822	79%	2,372	94%	2,504	89%
CY 18	2,053	2,582	80%	2,264	91%	2,222	92%
CY 17	2,058	2,611	79%	2,252	91%	2,212	93%
Avg CY17 - CY20:			79%		93%		92%

On Pace = +/- 3% of prior 4 year average

CY'21 Outlook Carry-out = 890 million



= Ahead of Pace



= on Pace



= off Pace

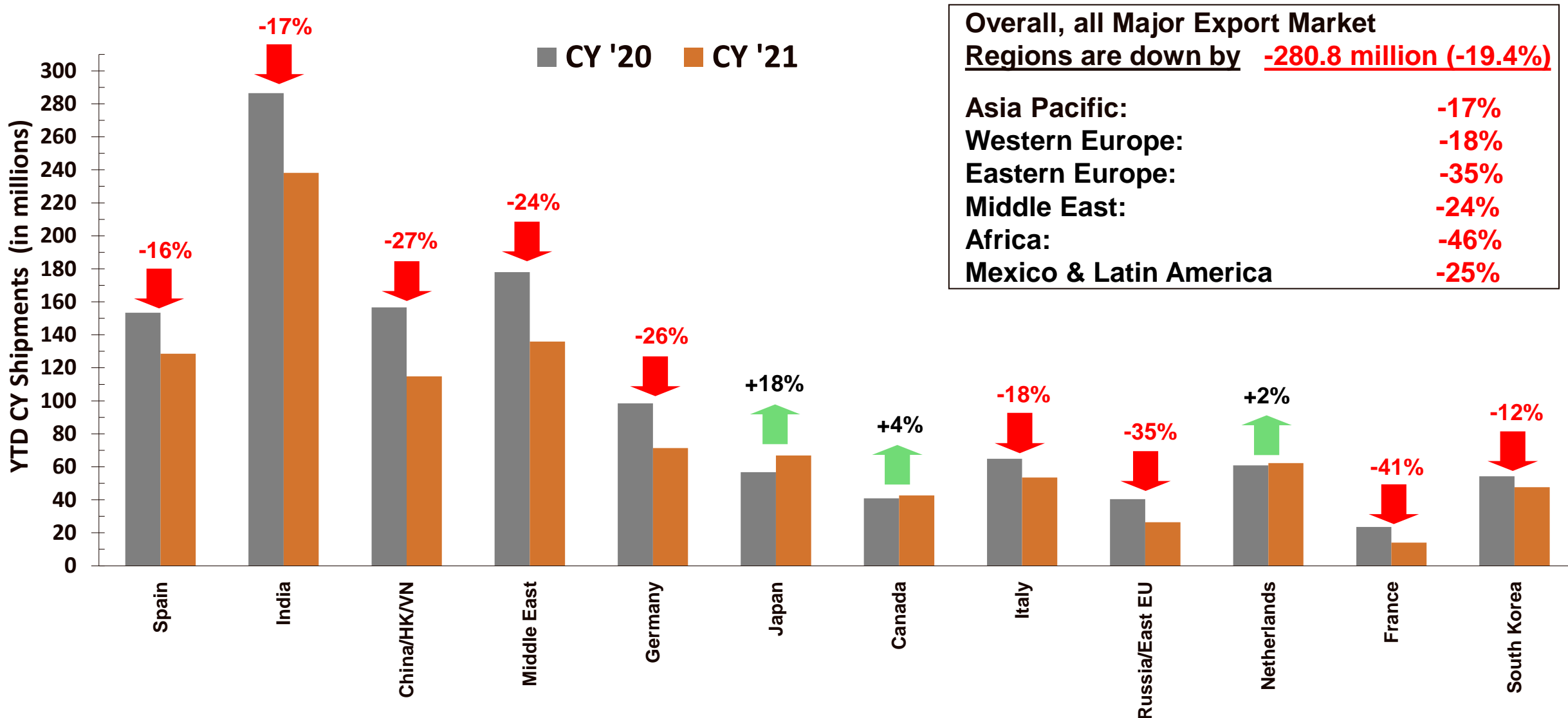
CY 2021 Year to Date Demand Highlights - continued

as of 4/12/22 – 8th month of the Crop Year

		In M/lbs.
<u>Total Saleable Supply:</u>		
Full Year 2021 Outlook:	as of 4/12/22	3,460
Full Year 2020 Actual:		3,506
Increase/(Decrease) in Saleable Supply:		
		(46)
Shipment Increase/Decrease in CY'21 vs. CY'20:		
		(328)

Balance to Ship for the Remainder of the Year		
Target Shipments: Apr '22 - Jul '22:	Total:	887
	Per Month:	222
Actual Shipments: Apr '21 - Jul '21:	Total:	919
	Per Month:	230
Difference: CY'21 vs. CY'20	Total:	(32)
Balance of the Year Shipments:	Per Month:	(8.1)
Variance in %:		-3.5%

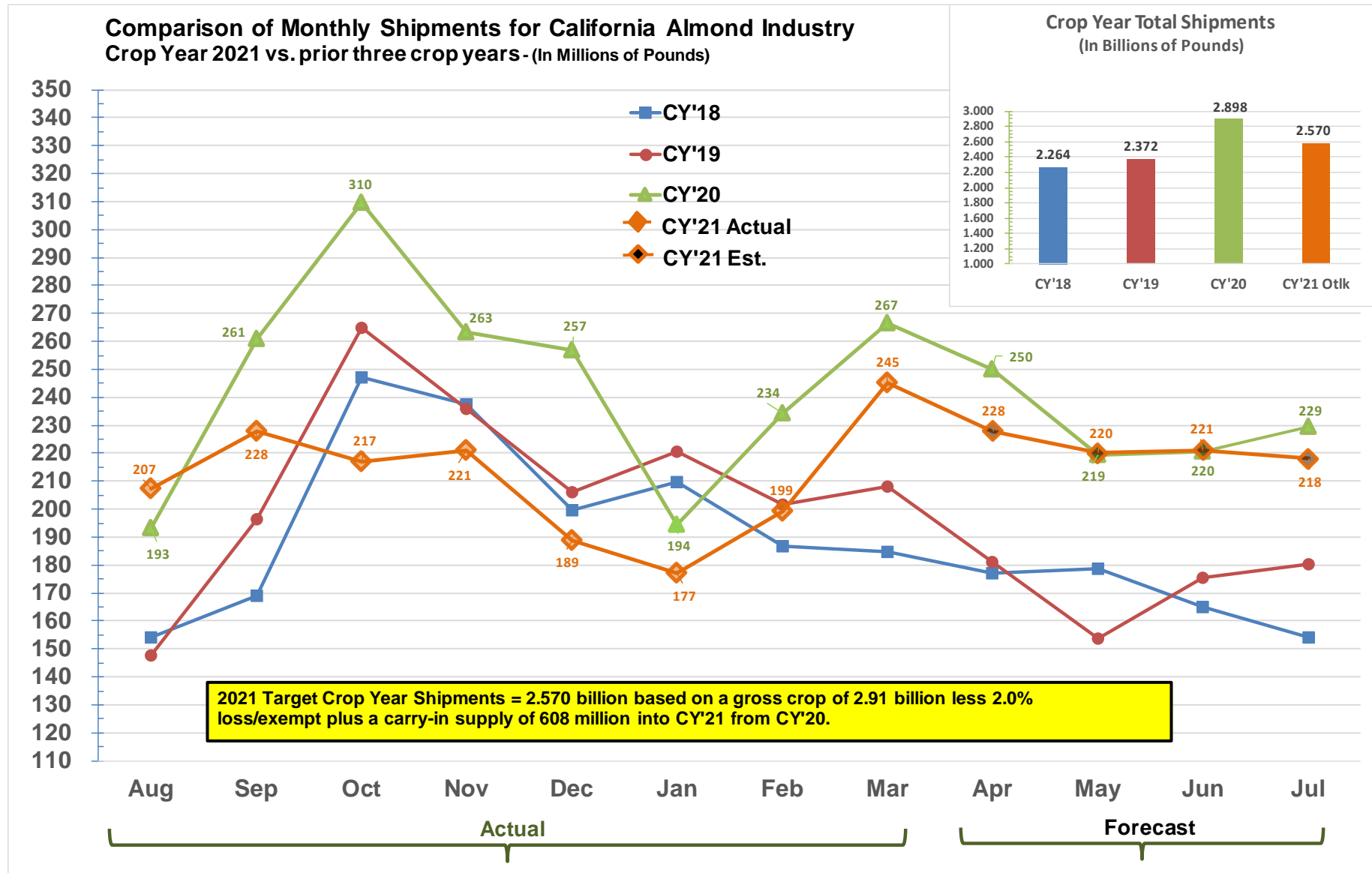
California Almond Export Shipment Demand Comparison CY'20 vs. CY'21 – as of 4/12/22 – 8th month of the Crop Year



Source: ABC Monthly Position Report March 2022

California Almond Industry Monthly Shipments

CY'21 Outlook vs. Prior three Crop Years



CY'21 - March 2022 ABC Position Report Summary & Market Status as of 4/18/22

- March 2022 shipments of 245 million were down by -21.7 million pounds (-8.1%) vs. last year. The shipping constraints out of the West-Coast ports continue to be the primary reason for reduced shipments to export market destinations. The Total Committed and Shipped figure as of the end of March 2022 of 2.515 billion is down by -275 million pounds (-9.9%) vs. the end of March 2021. The Industry's overall sold percentage at the end of March is 73% of the total estimated supply and 88% sold to the estimated 2.852 billion pounds of net crop receipts (2.91 billion pounds gross less 2.0% loss & exempt). CY'21 Commitments not yet shipped of 832 million are 21 million pounds higher (+2.5%) than at the end of March 2021.
- **Domestic Shipments** - March shipments of 72 million were up by +0.6 million pounds (+0.8%) vs. last March and was the 2nd most volume shipped in March in history. Total Committed and Shipped volume at the end of March of 823 million represents a 34-million-pound decrease vs. last year (-4.0%).
- **Export Shipments** - March shipments of 173 million were down -22.2 million pounds (-11.4%) vs. last year. Total Committed and Shipped volume at the end of March of 1.692 billion pounds represents a 241-million-pound decrease vs. the end of March 2021 (-12.5%).
- **New Sales** - New Sales for the month of March of 220 million pounds were up from last March's 191 million mark (+28.5 million pounds or +14.9%). This sets a new record for the month of March (the prior record 191 million was set last year)..
- **General Market Activity** – Prices stayed stable from late March through the 12th of April for small size pollinators but larger size pollinators and 30/32 or larger Nonpareil continued to move higher every few days along with Inshell almonds of all varieties. It is very clear that unsold inventories of 30/32 or larger Nonpareil and Inshell of every variety are in short supply and buying demand remains very strong for the limited unsold supplies that are left. We expect prices for these items to continue to move higher in coming months. April 2022 shipments should be strong in comparison to the first 6 months of the crop year but likely not as strong as last year due to the continuing export shipping constraints. Demand at these historically low prices remains very strong as New Sales are up 122 million (+12.5%) over the past 5 months vs. the same period last year. The biggest limiting factor for the Industry remains the ability to ship to export destinations due to congestion at Los Angeles Ports and limited carrier service into Oakland.

2021 California Almond Crop Outlook

as of 4/12/22

As of the end of March 2022, ABC Form 1 California Almond Crop Receipts totaled 2.902 Billion vs. the 3.093 Billion pounds received through February 2021 (-192 million or -6.2%). USDA Crop Receipts to date show a similar change (-205 million or -6.6%).

We expect that remaining crop receipt reporting from all regions will fall short of what was seen last year from April through July.

It is with high certainty that we can say the 2021 California Almond Crop will finalize at or near 2.91 billion.

Our official and published Wonderful/Famoso/Ag-Wise crop estimate released last May 2021 was 2.95 billion which makes this estimate the most accurate of any published estimates for the 2021 crop.

California Crop Receipts: CY21 vs. CY20

	Pounds In Millions		
	End of March	Change in Volume	End of July Final
2020/21 Crop Year			
USDA Crop Receipts	3,105	5	3,110
ABC Form 1 Receipts	3,093	14	3,107
2021/22 Crop Year			
USDA Crop Receipts	2,900	5	2,905
ABC Form 1 Receipts	2,902	14	2,915
Difference in % : 21/22 vs. 20/21:			
USDA Crop Receipts	-6.6%		
ABC Form 1 Receipts	-6.2%		
2021/22 Crop Year			
USDA Crop Receipts	2,900	5	2,904
ABC Form 1 Receipts	2,902	13	2,914
Average of Two Scenarios (Outlook CY21/22)			
USDA Crop Receipts		2,904	
ABC Form 1 Receipts		2,915	

Assumes Same Volume Left in Total Lbs as the end of March 2021.

Assumes Same Volume Left as the % Down YTD as of March 31, 2022

California Almond Industry- Historical Supply & Demand

CY'10 through CY'21 Outlook with CY'22 Estimates

Crop Year Finals - (Supply & Demand in millions of pounds)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 Otk	
Bearing Acres: (Land IQ Data In 000's	810	853	885	911	936	970	982	1,035	1,088	1,181	1,242	1,310	
Yield: Lbs. per Bearing Acre:	2,010	2,368	2,130	2,206	1,996	1,953	2,175	2,185	2,086	2,160	2,502	2,221	
Change vs. Prior Yr:	In %:	7.2%	17.8%	-10.1%	3.6%	-9.5%	-2.1%	11.4%	0.4%	-4.5%	3.6%	19.9%	-11.2%
	In Lbs./Acr	135	358	(238)	76	(210)	(43)	222	9	(99)	74	416	(280)

Supply													
Carry-in Supply	321	254	335	317	350	376	412	398	357	315	450	608	
New Crop	1,628	2,020	1,885	2,010	1,868	1,894	2,136	2,261	2,270	2,551	3,107	2,910	
Less: Exempt	28	40	37	39	29	47	49	51	48	44	51	58	
Net New Crop:	1,600	1,980	1,848	1,971	1,839	1,847	2,087	2,210	2,222	2,508	3,056	2,852	
Total Supply	1,921	2,233	2,183	2,287	2,189	2,223	2,499	2,609	2,579	2,822	3,506	3,460	
Change vs. Prior Yr:	In %:	7.2%	16.2%	-2.3%	4.8%	-4.3%	1.6%	12.4%	4.4%	-1.1%	9.5%	24.2%	-1.3%
	In Lbs.:	129	312	(51)	105	(99)	35	276	110	(30)	244	684	(47)

Demand													
Total Shipments:	In M/Lbs.:	1,668	1,899	1,866	1,937	1,812	1,811	2,101	2,252	2,264	2,372	2,898	2,570
Change vs. Prior Yr:	In %:	13.3%	13.9%	-1.7%	3.8%	-6.5%	-0.1%	16.0%	7.2%	0.6%	4.8%	22.2%	-11.3%
	In Lbs.:	196	231	(32)	71	(125)	(1)	290	150	13	108	526	(328)

Carry-out in M/Lbs.	254	335	317	350	376	412	398	357	315	450	608	890
As % of Shipments:	15.2%	17.6%	17.0%	18.1%	20.8%	22.7%	18.9%	15.9%	13.9%	19.0%	21.0%	34.6%
As % of Supply:	13.2%	15.0%	14.5%	15.3%	17.2%	18.5%	15.9%	13.7%	12.2%	15.9%	17.3%	25.7%

 = Record Increase in shipments in both Lbs. and % increase
Record % increase in shipments prior to CY'20 was in 2007 (+18.3%)

 = lowest % since 2006 Crop Year.

CY 2022 Scenarios

Freeze/Drought Model Estimate	TNT Estimate	WP&A Estimate	Subjective Estimate
2.54 B	2.90 B	By 5/11	On 5/12
1,360	1,380		
1,869	2,101		
-15.9% (352)	-4.7% (105)		
890	890	890	890
2,542	2,900	N/A	N/A
51	58		
2,491	2,842		
3,381	3,732		
-2.3% (79)	7.9% 272		
2,776	2,957		
8.0% 206	15.1% 387		
605	775		
21.8% 17.9%	26.2% 20.8%		

 CY'22 -Model = Yld/Acre based on Freeze/Drought Model (see page 9)

 TNT CY'22 = Released on 4/12/22

 WP&A CY'22 = to be Released by 5/11/22

 Subjective CY'22 = to be Released on 5/12/22

The 2022 California Almond Crop will be challenged by not only the recent freeze event that occurred from February 24th - 26th, it will also be impacted greatly by a 3rd year of drought which is project at this time to be worse in terms of water supply than any previous drought that California has experienced. Below is an analysis which attempts to quantify the possible impact using actual drought and freeze events that occurred over the past 11 years.

Estimating 2022 California Almond Crop Based on Past History of Drought & Freeze Events

	Crop Year Finals - (Acreage, Yield/Acre, & Total Yield)												Estimate
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
				Yr 1	Yr 2	Yr 3			Freeze		Yr 1	Yr 2	Yr 3
Bearin Acres in 000's	810	853	885	911	936	970	982	1035	1088	1181	1242	1310	1,360
Yield/Acre	2,010	2,368	2,130	2,206	1,996	1,953	2,175	2,185	2,086	2,160	2,502	2,214	1,869
Yield/Acre in Year 3 of Drought				2,206	1,996	1,953					2,502	2,214	
Drop in Yield/Acre vs. Prior Year 1 Drought					(210)	(253)							(250)
Yield/Acre in Freeze Year							2,175	2,185	2,086				
Drop in Yield/Acre vs. Prior 2 Year Non-Freeze									(94)				(94)
Total Expected Yield/Acre Impact In 3rd Year Drought + Freeze													(344)
Final Crop Size in 000's of Lbs.	1,628	2,020	1,885	2,010	1,868	1,894	2,136	2,261	2,270	2,551	3,107	2,900	2,542
Vs. Prior Year:		392	(135)	125	(142)	26	242	125	9	282	556	(207)	(358)

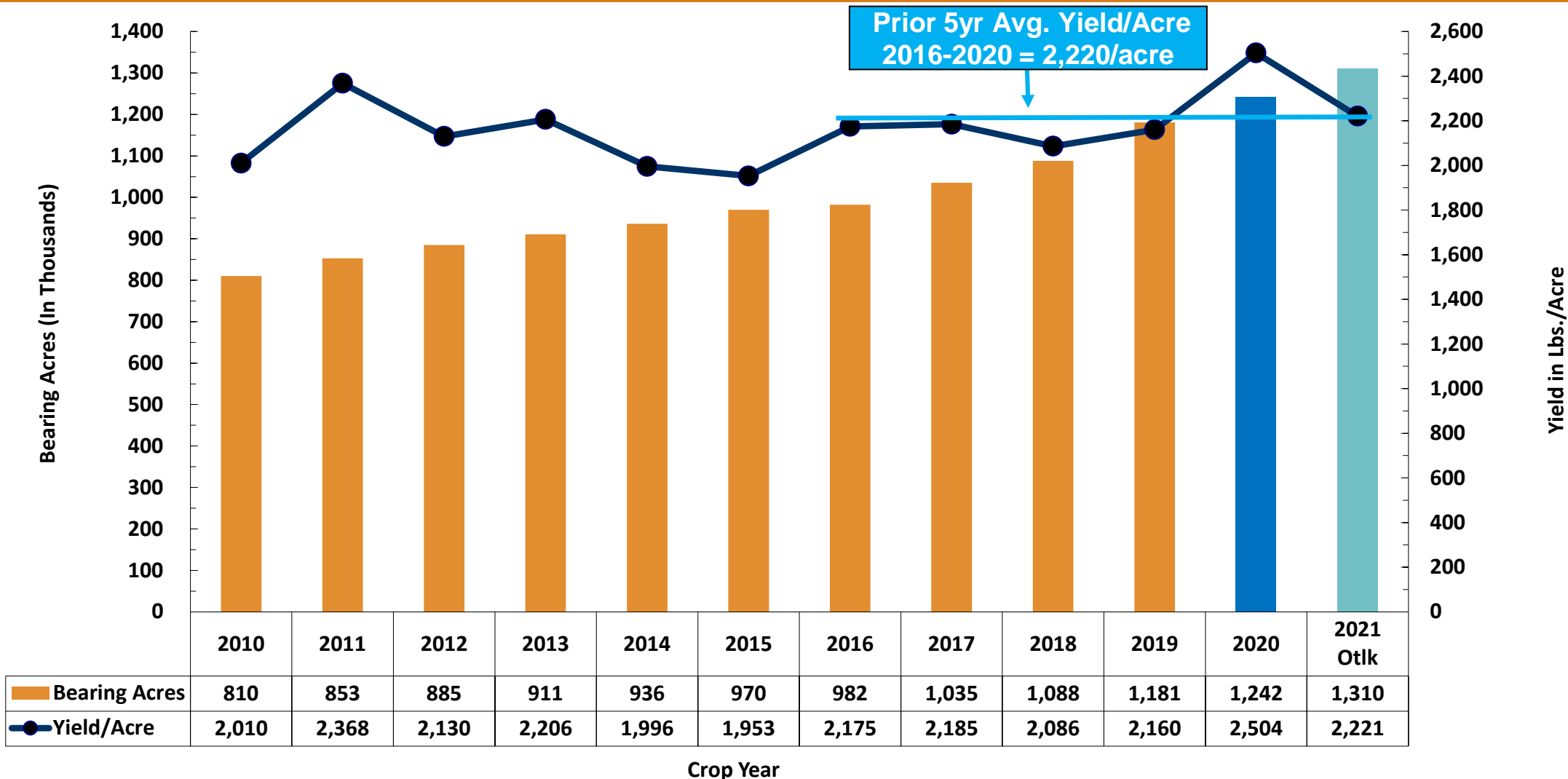
Drought

Freeze

= Change from prior year in yield/acre due to 3rd year of drought + Freeze Impact.

= Estimated 2022 State Average Yield/Acre and Total Crop based on drought & Freeze impact.

California Bearing Acreage & Yield/Acre - Almonds



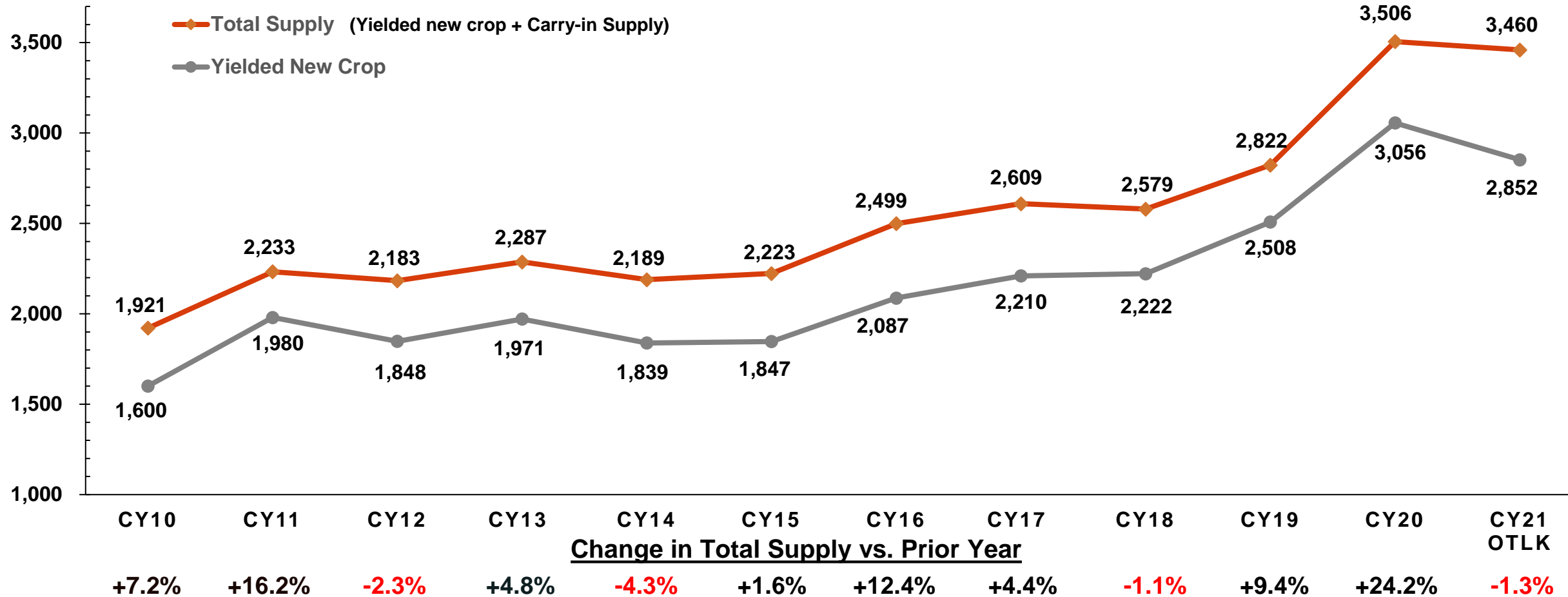
2007 - 2009 Acres & Yld/Acre are based on NASS Acreage for those crop years.

2010 – 2021 Acres are based on Land IQ acreage data.

2021 Estimate based on a crop size of 2.91 B Lbs. & the Final Land IQ Bearing acres of 1.31 MM.

California Almond Industry Saleable Supply

(In millions of pounds)



Source: All historical figures come from Almond Board Reports.

2019 Final: ABC July 2020 Position Report (2.551 billion) less -2.0% In-edible/Loss and a carry-in Supply of 318 million from CY'18.

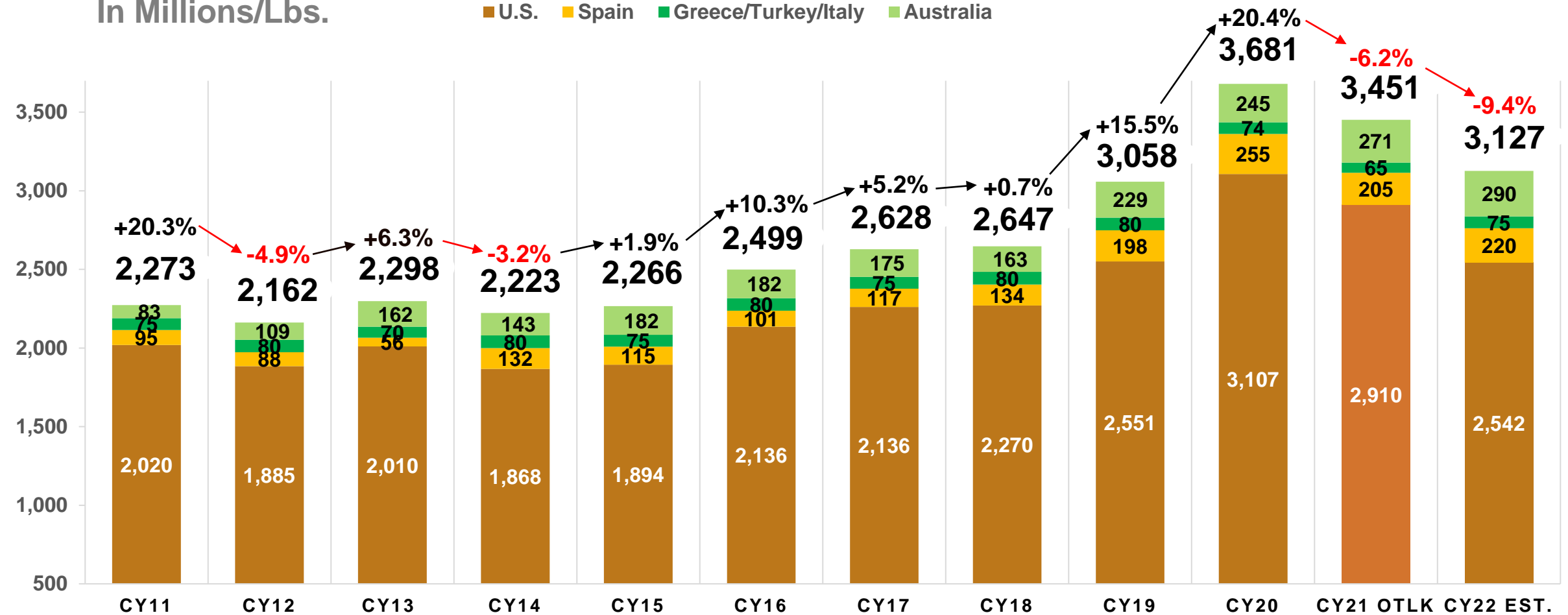
2020 Final: Based on Gross Crop Size of 3.07 billion less -2.0% In-edible/Loss and a carry-in Supply of 450 million from CY'19.

2021 Outlook: Based on Gross Crop Size of 2.91 billion less -2.0% In-edible/Loss and a carry-in Supply of 608 million from CY'20.

World Almond Production for Major Producing Countries (Gross Crop Production)

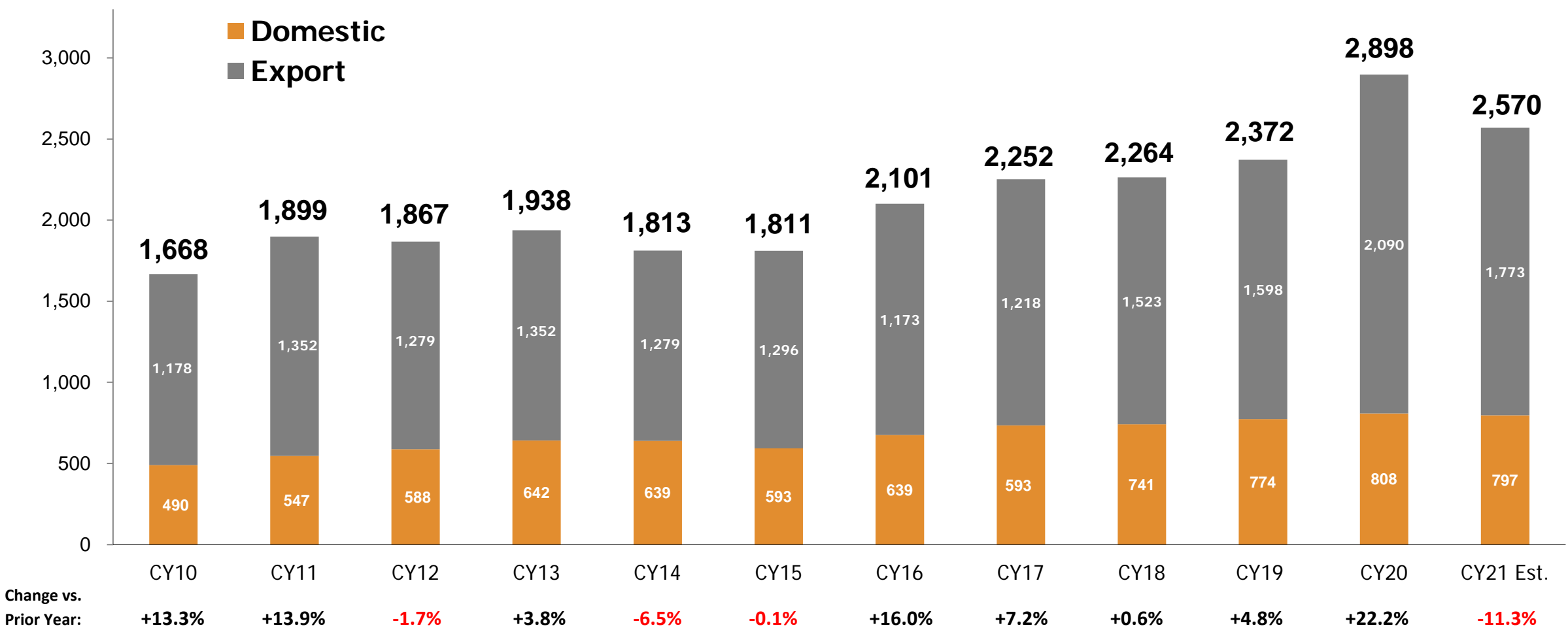
In Millions/Lbs.

■ U.S. ■ Spain ■ Greece/Turkey/Italy ■ Australia



Figures for 2020 & 2021 for Australia updated as of 5/17/21. Estimate for Spain's crop for 2021 revised on 7/7/21. Turkey, Greece, & Italy for CY'20 & CY21 Crops based on INC official statistics updated on 5/25/21. The California 2021 figure is based on the current outlook of 2.91 billion pounds.

California Almond Industry Shipments – Domestic vs. Export

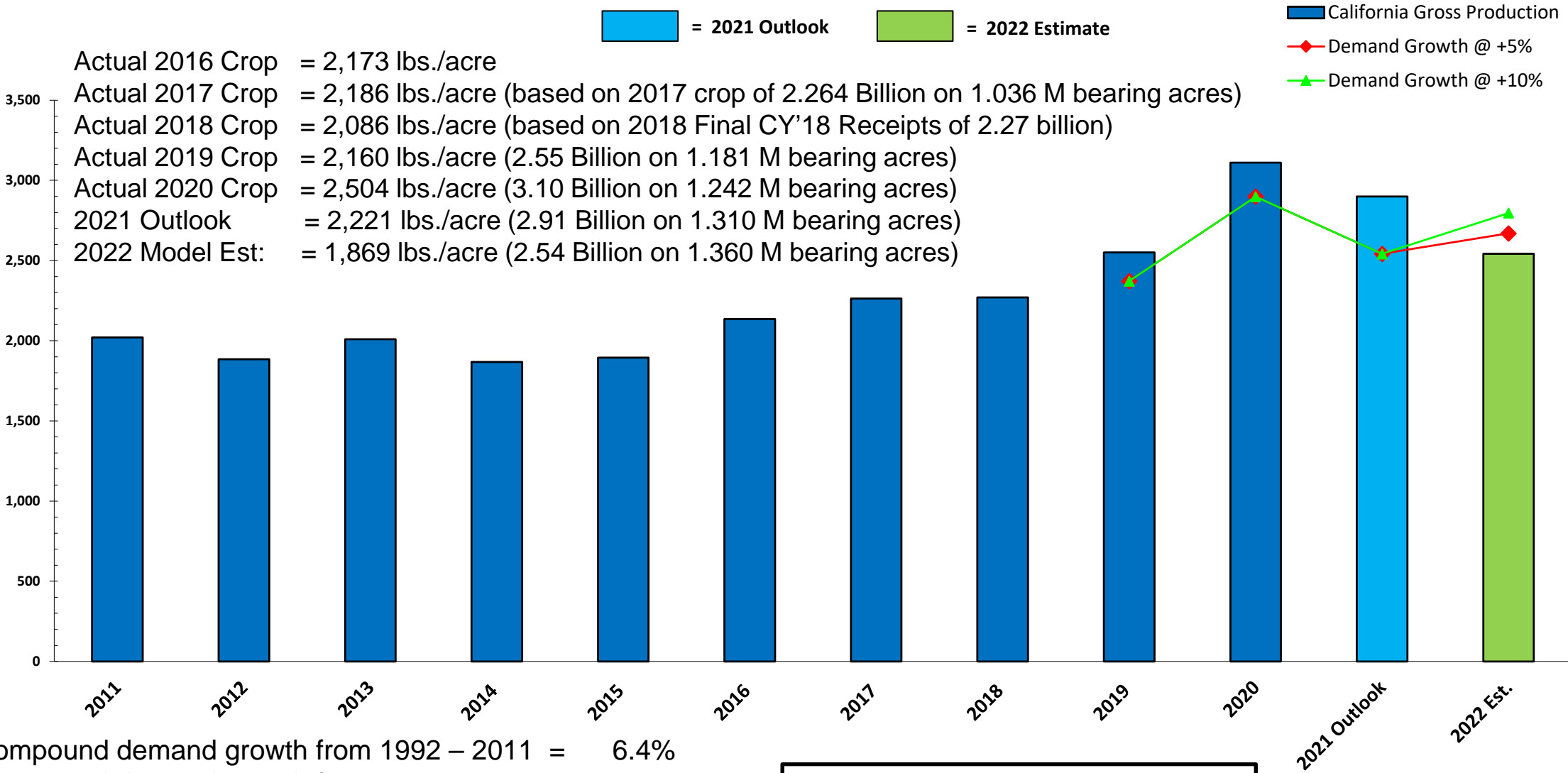


Note: All actual figures are based on ABC Crop Year (Aug - Jul).

2021 Shipments results in an 890-million-pound carry-out into CY'22.

Source: ABC Monthly Reports as of the end of March 2022.

California Almond Gross Production & Demand Projections



Actual compound demand growth from 1992 – 2011 = 6.4%
 Actual compound demand growth from 2008 – 2013 = 7.6%
 Average demand growth from 2016-2020 = 8.3%

Note: 2011 – 2020 Crop Year yield/acre figures are based on Land IQ Bearing acreage data.