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ALMONDS

Almond Industry Update

As of 11-15-2023

CY 2023 Year to Date Demand Highlights
as of 11/10/23 - 3rd month of the Crop Year

		Shipments		Committed Not Shipped
		October	Crop to Date	
Overall:	CY'23	247	677	677
	CY'22	211	631	695
	Increase: In %	17.5%	7.3%	-2.5%
	In millions/lbs.	36.8	45.8	(17)
Domestic	CY'23	57	181	272
	CY'22	66	183	330
	Increase: In %	-13.0%	-0.8%	-17.6%
	In millions/lbs.	(8.5)	(1.4)	(58)
Export	CY'23	190	496	406
	CY'22	145	449	365
	Increase: In %	31.2%	10.5%	11.2%
	In millions/lbs.	45.3	47.2	41

Total CY YTD Sales		Domestic	Export	Total
	CY'23	453	902	1,355
(Includes Shipments	CY'22	513	813	1,326
& Commitments not	Increase: In %	-11.6%	10.8%	2.1%
Shipped).	In millions/lbs.	(60)	88	28

CY 2023 Year to Date Demand Highlights - continued

as of 11/10/23 - 3rd month of the Crop Year

California Industry Historical Supply and % Sold by End of October

Crop Year	Committed & Shipped by End of October	Total Saleable Supply		Total Target/Actual Crop Year Shipments		Total Net Edible Crop (= Gross less Inedible)	
		Pounds	% Sold	Pounds	% Sold	Pounds	% Sold
CY 23	1,355	3,152	43%	2,602	52%	2,352	58%
CY 22	1,326	3,365	39%	2,565	52%	2,520	53%
CY 21	1,400	3,471	40%	2,634	53%	2,863	49%
CY 20	1,797	3,506	51%	2,898	62%	3,056	59%
CY 19	1,303	2,822	46%	2,372	55%	2,507	52%
Avg CY19 - CY22:			44%		55%		53%

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

CY'23 Outlook Carry-out = 550 million

= Ahead of Pace

= on Pace

= off Pace

CY 2023 Year to Date Demand Highlights - continued

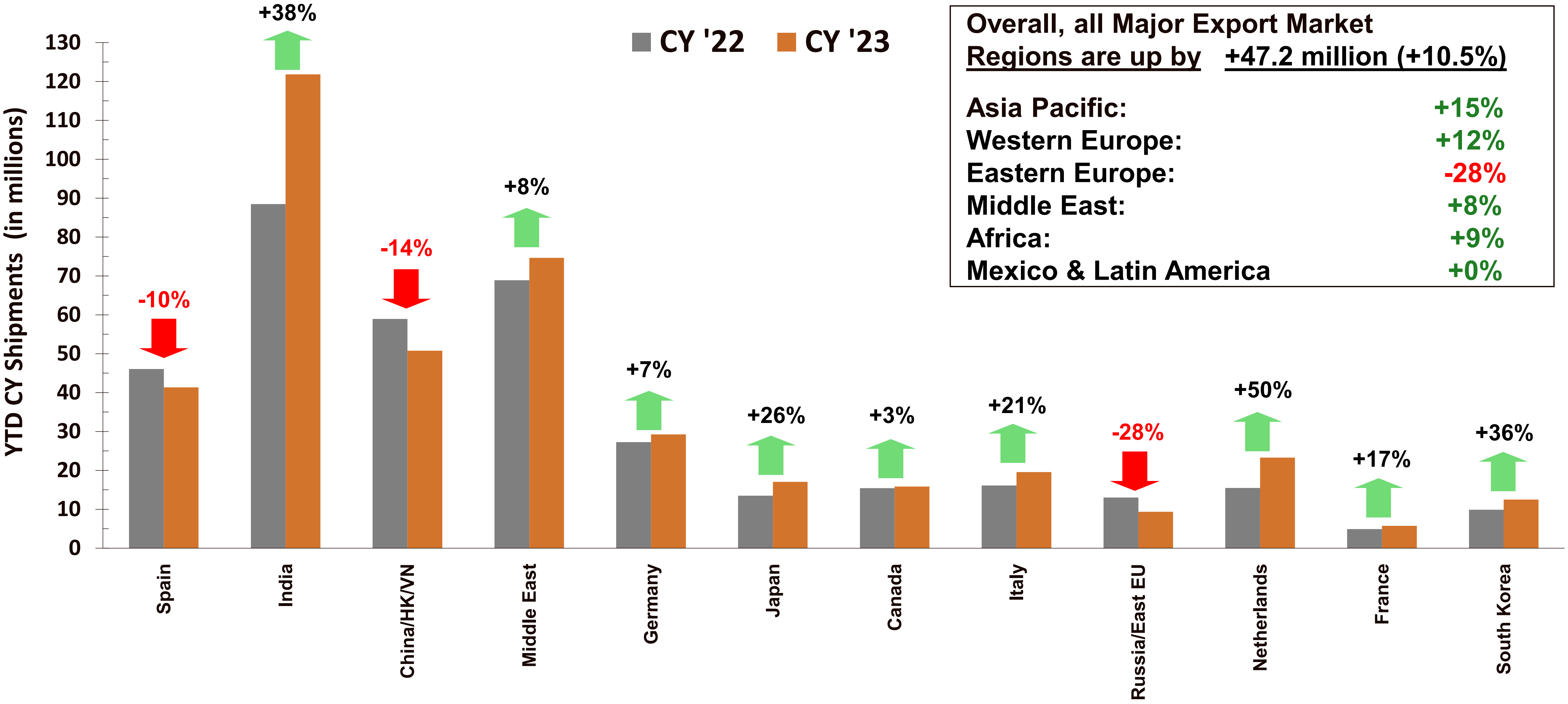
as of 11/10/23 – 3rd month of the Crop Year

		In M/lbs.
Total Saleable Supply:		
Full Year 2023 Outlook:	as of 11/10/23	3,152
Full Year 2022 Actual:		3,365
Increase/(Decrease) in Saleable Supply:		(213)
Target Shipment Increase in CY'23 vs. CY'22:		37

Balance to Ship for the Remainder of the Year

Target Shipments: Nov '23 - Jul '24:	Total:	1,925
	Per Month:	214
Actual Shipments: Nov '22 - Jul '23:	Total:	1,933
	Per Month:	215
Difference: CY'22 vs. CY'23	Total:	(8)
Balance of the Year Shipments:	Per Month:	(0.9)
Variance in %:		-0.4%

California Almond Export Shipment Demand Comparison CY'22 vs. CY'23 – as of 11/10/23 – 3rd month of the Crop Year

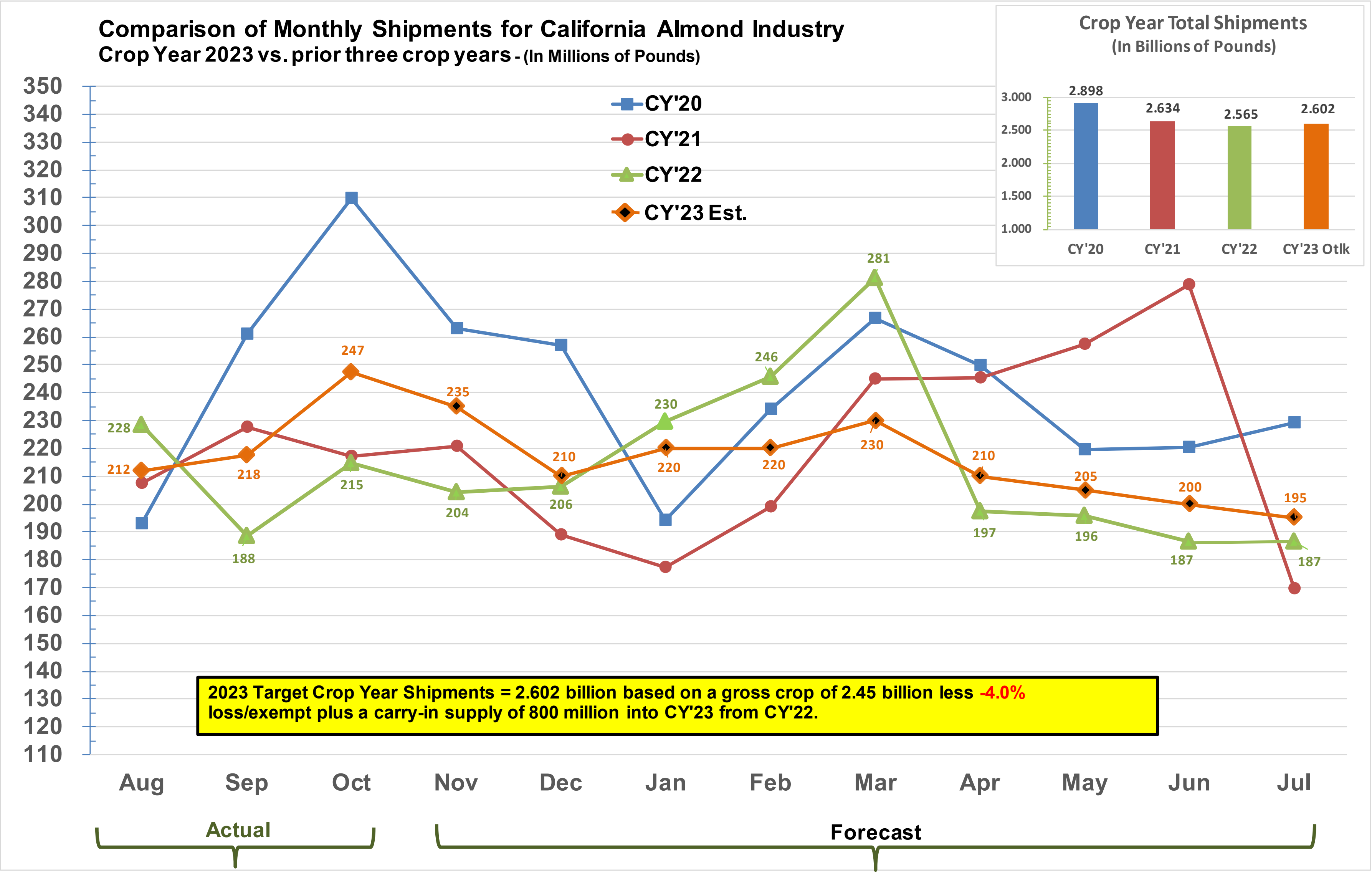


Overall, all Major Export Market Regions are up by +47.2 million (+10.5%)

Asia Pacific:	+15%
Western Europe:	+12%
Eastern Europe:	-28%
Middle East:	+8%
Africa:	+9%
Mexico & Latin America	+0%

Source: ABC Monthly Position Report October 2023

California Almond Industry Monthly Shipments
CY'23 Outlook vs. Prior three Crop Years



CY’23 - October 2023 ABC Position Report Summary & Market Status as of 11/15/23

- October 2023 shipments of 247 million were up by +36.8 million pounds (+17.5%). YTD Shipments now total 677 million vs. 631 million (+7.3%) as of the end of October. The total Committed and Shipped figure at the end of October 2023 of 1.355 billion is up by +28 million pounds (+2.1%) vs. the end of October 2022. The Industry’s overall sold percentage at the end of October is 43% of the total estimated supply and 58% sold to the estimated 2.352 billion pounds of net crop receipts (2.45 billion pounds gross less 4.0% loss & exempt). CY’23 Commitments not yet shipped of 677 million are -17 million lower (-2.5%) than seen at the end of October 2022.

- **Domestic Shipments -** October shipments of 57 million were down by -8.5 million pounds (-13.0%) vs. last year. YTD Shipments of 181 million are down -1.4 million (-0.9%) vs. last year. Total Committed and Shipped volume at the end of October of 453 million represents a 60-million-pound decrease vs. last year (-11.6%).

- **Export Shipments** - October shipments of 190 million were up by +45.3 million pounds (+31.2%) vs. last year. YTD Shipments of 496 million are up +47.2 million (+10.5%) vs. last year. Total Committed and Shipped volume at the end of October of 902 million represents a +88-million-pound increase vs. last year (+10.8%).

- **New Sales -** New Sales for the month of October were 251 million pounds (+7 million pounds or +3.0% vs. last October). New Sales for the August thru October period total 777 million vs. 680 million last year for this period (+97 million or +14.3%).

- **General Market Activity –** Buying and selling activity during late October/early November has remained seasonally strong. Despite continued strong buying interest, Sellers continue to offer sparingly as the delayed harvest, highly variable yields, and high insect damage continues to make it difficult to understand what volume and quality is truly available to offer. Market prices strengthened by $0.05 - $0.10 lb. over the past 3 weeks on smaller ounce count almonds but larger sizes saw only minor prices increases over this period. However, based on this most recent position report, a revised crop forecast of 2.45 billion, and expected strong shipments vs. last year for November, we anticipate almond prices will increase at a more rapid pace over the coming months.

2023 California Almond Crop Yield Trends

as of 11/10/23

As of 11-10-23, harvest operations are complete in all areas. As reported last month, yields on Nonpareil vs. last year are down slightly in the Southern Region, down -10% to -15% on average in the Central Region and have rebounded as expected in the Northern Region from last year's heavy losses due to the strong freeze event. But even in the Northern Region, the yields are below the pre-harvest estimates by growers in that region. Overall, as you will see on the following page, we see the CY'23 Nonpareil crop coming in smaller than last year and with much higher losses to inedible due to the high insect damage seen in this crop.

Yields on the Independence variety seem to vary within each region with some orchards having yields better than last year but others showing a drop-off in yields in comparison to last year. YTD USDA crop receipts on this variety are the same as last year, in-edibles are only slightly higher than last year at 2.74% (vs. 2.03% at the end of October last year).

The last major variety harvested was Monterey and unfortunately, the yields on this variety were down sharply from last year. The reduction in crop receipts for this variety alone are expected to be close to 75 million pounds. In addition, insect damage in this variety is very high with the October 2023 USDA receipts showing in edibles averaging 4.75% vs. 2.23% last year.

The other late varieties like Butte and Padre and Fritz also appear to be significantly off in yield as crop receipts through October are down 43% in total vs. last year with higher in edibles for the volumes reported to the USDA (Fritz averaging 6.28% vs. 2.2% last year).

The chart on the next page is the same chart we presented last month. A month ago, the data pointed to a final crop size of 2.45 billion. But since the later varieties were mostly still in the field, we decided to use a more conservative figure of 2.5 billion for all our calculations in this report. Now that harvest is complete, we now believe these figures represent the high-end potential for the 2023 crop and expect that the final figure is likely to move to 2.4 billion or lower as more crop receipt data is reported over the next two months. But for now, we will be using the conservative figure of 2.45 billion for all our supply calculations along with in edibles at 4%.

As we reported in last month's report, nut sizing across all varieties is much larger than we have seen over the past 3 years. In looking at actual sizing data from several central and southern region processors for 2023 vs. 2022 for just the top four varieties (Nonpareil, Monterey, Independence, and Butte/Padre), the supply of 27/30 or smaller almonds will be reduced by 28% in comparison to the volume we got from last year's crop. Buyer's who really need these smaller sizes should secure them sooner rather than later!

2023 California Crop Outlook Worksheet - By Region as of 11-10-23

	Total Crop			Pollinator Crop			Nonpareil Crop		
	Bearing Acreage	Receipts	Yield/ Acre	Bearing Acreage	Receipts	Yield/ Acre	Bearing Acreage	Receipts	Yield/ Acre
2022 CY - Outlook									
Northern Counties	242,775	212,693,815	876	148,686	120,601,654	811	94,089	92,092,161	979
Central Counties	547,536	1,169,991,275	2,137	335,335	730,948,937	2,180	212,201	439,042,338	2,069
Southern Counties	552,613	1,188,584,637	2,151	338,445	722,774,027	2,136	214,168	465,810,610	2,175
Total:	**1,342,923**	**2,571,269,727**	**1,915**	**822,466**	**1,574,324,618**	**1,914**	**520,458**	**996,945,109**	**1,916**
2023 CY - % up or down vs. 2022 in Yield/Acre									
Northern Counties	5%	52%	45%	5%	52%	45.0%	5%	52%	45.0%
Central Counties	2%	-10%	-12%	2%	-10%	-12.0%	2%	-10%	-12.0%
Southern Counties	-1%	-9%	-8%	-1%	-11%	-10.0%	-1%	-6%	-5.0%
2023 Estimate Results vs. 2022									
Northern Counties	254,174	322,887,017	1,270	155,668	183,083,407	1,176	98,507	139,803,610	1,419
Central Counties	557,457	1,048,255,010	1,880	341,494	655,048,046	1,918	215,963	393,206,964	1,821
Southern Counties	548,369	1,084,558,093	1,978	336,296	646,365,660	1,922	212,074	438,192,433	2,066
Total:	**1,360,000**	**2,455,700,121**	**1,806**	**833,457**	**1,484,497,113**	**1,781**	**526,543**	**971,203,007**	**1,844**
Southern Region vs. 2022:	-1%	-9%	-8%	-1%	-11%	-10%	-1%	-6%	-5%
Total vs. 2022:	1%	-4%	-6%	1%	-6%	-7%	1%	-3%	-4%

= estimate figures for CY'23 = (+/- CY22 avg. Yield/Acre in %)

California Almond Crop Crop Receipt and Inedible Analysis - CY16 - CY23YTD

Based on USDA Receipt Data from the ABC Position Reports - October

	Nonpareil Crop				Total Crop				Nonpareil		Total Crop	
		Inedibles				Inedibles						
Crop Year	End of Oct Receipts	YTD Thru October	July Y/E	Change In %	End of Oct Receipts	YTD Thru October	July Y/E	Change In %	July Y/E Receipts	YTD Oct % Received	July Y/E Receipts	YTD Oct % Received
2016	662	1.24%	1.25%	**0.01%**	1,405	1.20%	1.22%	**0.02%**	814	**81.3%**	2,131	**65.9%**
2017	705	2.27%	2.31%	**0.04%**	1,493	2.35%	2.42%	**0.07%**	922	**76.5%**	2,264	**66.0%**
2018	720	1.84%	1.91%	**0.07%**	1,613	1.68%	1.73%	**0.05%**	891	**80.8%**	2,268	**71.1%**
2019	753	1.52%	1.56%	**0.04%**	1,663	1.64%	1.65%	**0.01%**	1,049	**71.7%**	2,550	**65.2%**
2020	884	1.31%	1.36%	**0.05%**	1,846	1.35%	1.41%	**0.06%**	1,296	**68.2%**	3,115	**59.3%**
2021	789	1.99%	2.01%	**0.02%**	1,895	1.91%	1.96%	**0.05%**	1,132	**69.7%**	2,919	**64.9%**
2022	701	1.97%	2.04%	**0.07%**	1,757	2.06%	2.12%	**0.06%**	997	**70.3%**	2,571	**68.4%**
2023	640	**4.48%**			1,427	**3.99%**			1,000	**64.0%**	2,450	**58.2%**

= Average Inedibles got better by Year End

= Average Inedibles got worse by Year End

= Current Outlook for 2023 Crop as of 11/10/23

Analysis of CY'23 October USDA
Inedible % by County ABC Postion Report - All Varieties

County	Kernel Lbs	Inedible Lbs	% of Inedible	Total USDA Receipts	Receipts >5%	% of Receipts >5%
Alameda	692,694	10,184	1.47%	15	3	20.00%
BUTTE	29,895,346	643,556	2.15%	2,624	223	8.50%
CALAVERAS	720,373	21,960	3.05%	7	-	0.00%
COLUSA	81,910,172	3,812,235	4.65%	3,747	1,450	38.70%
CONTRA COSTA	1,295,605	8,698	0.67%	50	-	0.00%
DEL NORTE	8,620	498	5.78%	2	1	50.00%
EL DORADO	51,736	1,604	3.10%	3	1	33.33%
FRESNO	261,096,261	13,881,982	5.32%	11,667	4,592	39.36%
GLENN	51,380,638	1,663,577	3.24%	2,966	473	15.95%
HUMBOLDT	37,307	3,224	8.64%	5	5	100.00%
Inyo	42,732	1,690	3.95%	2	1	50.00%
Kern	225,000,310	9,567,121	4.25%	7,343	2,535	34.52%
Kings	32,075,695	1,696,784	5.29%	1,017	484	47.59%
Madera	126,038,922	6,257,767	4.96%	5,887	2,260	38.39%
Mariposa	28,026	7,165	25.57%	2	1	50.00%
Mendocino	14,784	615	4.16%	3	1	33.33%
Merced	136,641,989	5,262,926	3.85%	6,662	1,772	26.60%
Modoc	26,491	2,388	9.01%	1	1	100.00%
MONO	15,680	223	1.42%	1	-	0.00%
Monterey	241,553	14,024	5.81%	11	7	63.64%
Napa	89,573	5,550	6.20%	3	1	33.33%
Orange	22,002	718	3.26%	1	-	0.00%
Placer	673,787	11,371	1.69%	50	6	12.00%
Riverside	14,497	1,261	8.70%	2	2	100.00%
Sacramento	3,059,965	59,608	1.95%	100	20	20.00%
San Benito	123,990	4,475	3.61%	1	-	0.00%
San Francisco	10,872	304	2.80%	1	-	0.00%
San Joaquin	102,531,388	2,098,819	2.05%	6,001	519	8.65%
Solano	10,606,853	217,565	2.05%	567	60	10.58%
Sonoma	7,389	294	3.98%	1	-	0.00%
Stanislaus	222,455,407	6,692,420	3.01%	11,220	1,963	17.50%
Sutter	11,694,689	297,070	2.54%	800	134	16.75%
Tehama	18,743,232	362,338	1.93%	1,137	90	7.92%
TULARE	66,306,082	3,125,123	4.71%	2,567	825	32.14%
TUOLUMNE	75,219	860	1.14%	4	-	0.00%
YOLO	40,704,586	1,189,214	2.92%	1,919	338	17.61%
YUBA	2,634,185	59,135	2.24%	169	22	13.02%
Grand Total	**1,426,968,650**	**56,984,346**	**3.99%**	**66,558**	**17,790**	**26.73%**

= High Percentage of Receipts greater then 5% inedible

Counties with greater then 5% insect damage reported to date

Summary by Region

2023 Edible vs. Inedible - October Report

Region	Edible	Inedible	% Inedibles
Northern	251,449,780	8,324,292	3.31%
Central	590,837,301	20,380,900	3.45%
Southern	584,681,569	28,279,154	4.84%
Grand Total	1,426,968,650	56,984,346	3.99%

2023/24 California Almond Industry
Current Supply and Demand Outlook - as of 11/10/23

As shown in the prior pages, the current trends show a California almond crop that is 2.45 billion at best with 2.4 billion or less likely based on the crop receipt data and yield report we have as of this writing. We also know that in-edible percentage in the crop will end up at or above 4% which will reduce saleable supply by an additional 40+ million pounds. As you will see on the following page, the total saleable supply is already down around 200 million vs. last year as well as vs. the NASS Objective estimate with a strong chance to be even lower by an additional 50 million pounds or more.

As we consider the demand side of the equation, we know that year-to-date Industry shipments are up by 7.3% vs. last year at the end of October. With November 2023 shipments expected to be 235 million or more vs. only 204 million last November, the industry shipments should end up between 9% to 10% ahead of last year by the end of November.   As you will see on the chart on the next page (2023 Outlook column in blue shading), the Industry only needs to see an increase of 1.4% in shipments to bring the carry-out down to 550 million which would be the lowest level seen since 2019 based on the supply factors mentioned above. If the crop in fact comes in at 2.4 billion gross pounds and the pace of shipment growth for the balance averages only 3% (which equates to a full year shipment growth rate of 5%), you end up with a carry-out supply just slightly over 400 million pounds which is about as low as the industry can go in terms of carry-out considering normal August/September shipment demand.

We expect the 2024 California Almond Industry to have a bearing acreage footprint no larger than we had in 2023 (best-case scenario). However, with the economics of growing almonds falling well below the cost of production since the 2021 crop year, at a minimum, we anticipate that 2024 yields will fall below average even with good weather during the 2024 bloom. Many of the state's growers have had to cut back on normal Fall growing practices (fertilizers, insect management, etc.) due to lack of cash to pay for these needed inputs. In addition, the current financial landscape will likely continue the pace of high acreage removal that we have seen over the past two years due to both the extended drought as well as high growing losses due to low grower returns and high growing costs. At this point, we anticipate a crop no greater than 2.8 – 2.85 billion in 2024 under good bloom conditions. With forecasters pointing to a strong El Nino setup going into this coming Winter/Spring season (which normally brings less than ideal weather during the California Almond Bloom period), expecting perfect or even good bloom weather in 2024 is an expectation that is a bit pre-mature.

California Almond Industry- Historical Supply & Demand

CY'11 through CY'21 with CY'22 Outlook & CY'23 Estimates - as of 11/14/23

		Crop Year Finals - (Supply & Demand in millions of pounds)											CY 2022	2023 Current Otlk	2023 WP&A	2023 NASS Sub.	2023 NASS Obj.
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Final	2.45 Billion	2.35 B	2.50 B	2.60 B
Bearing Acres: (Land IQ for Actuals)	In 000's	853	885	911	936	970	982	1,035	1,088	1,181	1,242	1,310	1,343	1,360	1,358	1,380	1,380
Yield: Lbs. per Bearing Acre:		2,368	2,130	2,206	1,996	1,953	2,175	2,185	2,086	2,160	2,502	2,231	1,915	1,801	1,731	1,812	1,884
Change vs. Prior Yr:	In %:	17.8%	-10.1%	3.6%	-9.5%	-2.1%	11.4%	0.4%	-4.5%	3.6%	19.9%	-10.8%	-14.2%	-5.9%	-9.6%	-5.4%	-1.6%
	In Lbs./Acre:	358	(238)	76	(210)	(43)	222	9	(99)	74	416	(271)	(316)	(113)	(183)	(103)	(31)
Supply																	
Carry-in Supply		254	335	317	350	376	412	398	357	315	450	608	837	800	800	800	800
New Crop		2,020	1,885	2,010	1,868	1,894	2,136	2,261	2,270	2,551	3,107	2,922	2,571	2,450	2,350	2,500	2,600
Increase/(Decrease) vs. PY	In %:	24%	-7%	7%	-7%	1%	13%	6%	0%	12%	22%	-6.0%	-12%	-5%	-9%	-3%	1%
	In Lbs:	392	(135)	125	(142)	26	242	125	9	282	556	(185)	(351)	(121)	(221)	(71)	29
Less: Exempt		40	37	39	29	47	49	51	48	44	51	58	44	98	47	51	52
Net New Crop:		1,980	1,848	1,971	1,839	1,847	2,087	2,210	2,222	2,508	3,056	2,864	2,527	2,352	2,303	2,449	2,548
Total Supply		2,233	2,183	2,287	2,189	2,223	2,499	2,609	2,579	2,822	3,506	3,471	3,364	3,152	3,103	3,248	3,348
Change vs. Prior Yr:	In %:	16.2%	-2.3%	4.8%	-4.3%	1.6%	12.4%	4.4%	-1.1%	9.5%	24.2%	-1.0%	-3.1%	-6.3%	-7.8%	-3.4%	-0.5%
	In Lbs.:	312	(51)	105	(99)	35	276	110	(30)	244	684	(35)	(107)	(213)	(262)	(116)	(17)
Demand																	
Total Shipments:	In M/Lbs.:	1,899	1,866	1,937	1,812	1,811	2,101	2,252	2,264	2,372	2,898	2,634	2,565	2,602	2,602	2,602	2,602
Avg. Monthly Shipments:		158	156	161	151	151	175	188	189	198	242	220	214	217	217	217	217
Change vs. Prior Yr:	In %:	13.9%	-1.7%	3.8%	-6.5%	-0.1%	16.0%	7.2%	0.6%	4.8%	22.2%	-9.1%	-2.6%	1.5%	1.5%	1.5%	1.5%
	In Lbs.:	231	(32)	71	(125)	(1)	290	150	13	108	526	(264)	(69)	37	37	37	37
Carry-out in M/Lbs.		335	317	350	376	412	398	357	315	450	608	837	800	550	501	647	746
As % of Shipments:		17.6%	17.0%	18.1%	20.8%	22.7%	18.9%	15.9%	13.9%	19.0%	21.0%	31.8%	31.2%	21.1%	19.3%	24.9%	28.7%
As % of Supply:		15.0%	14.5%	15.3%	17.2%	18.5%	15.9%	13.7%	12.2%	15.9%	17.3%	24.1%	23.8%	17.4%	16.1%	19.9%	22.3%

= Record Increase in shipments in both Lbs. and %. Prior record was in 2007 (+18.3%)

= Lowest % since 2006 Crop Year.

= 2023 NASS Objective Est.

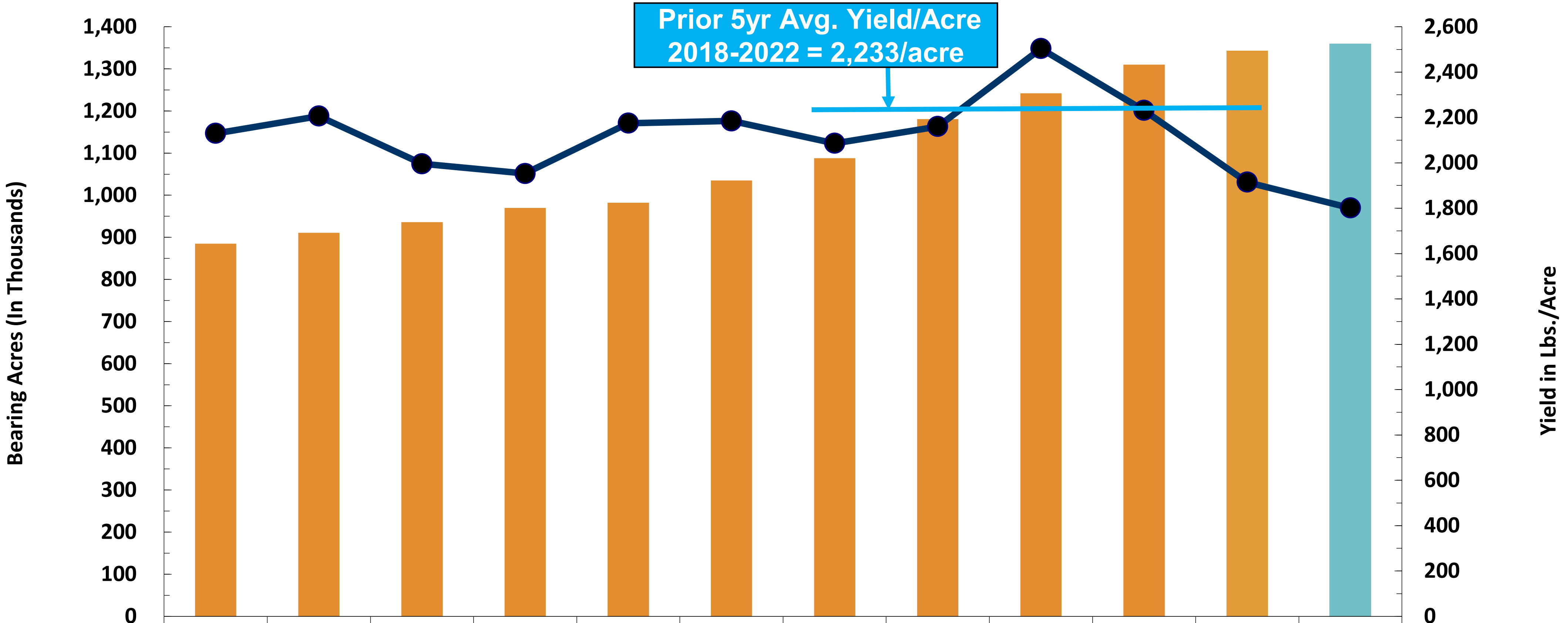
=Current Outlook 11/14/23 (inedibles @ 4%)

= Final as of 8/12/23

= 2023 NASS Subjective Est.

= WP&A/Famoso/Ag-Wise 2023 Est. released 5/9/23

California Bearing Acreage & Yield/Acre - Almonds



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Otlk
Bearing Acres	885	911	936	970	982	1,035	1,088	1,181	1,242	1,310	1,343	1,360
Yield/Acre	2,130	2,206	1,996	1,953	2,175	2,185	2,086	2,160	2,504	2,231	1,915	1,801

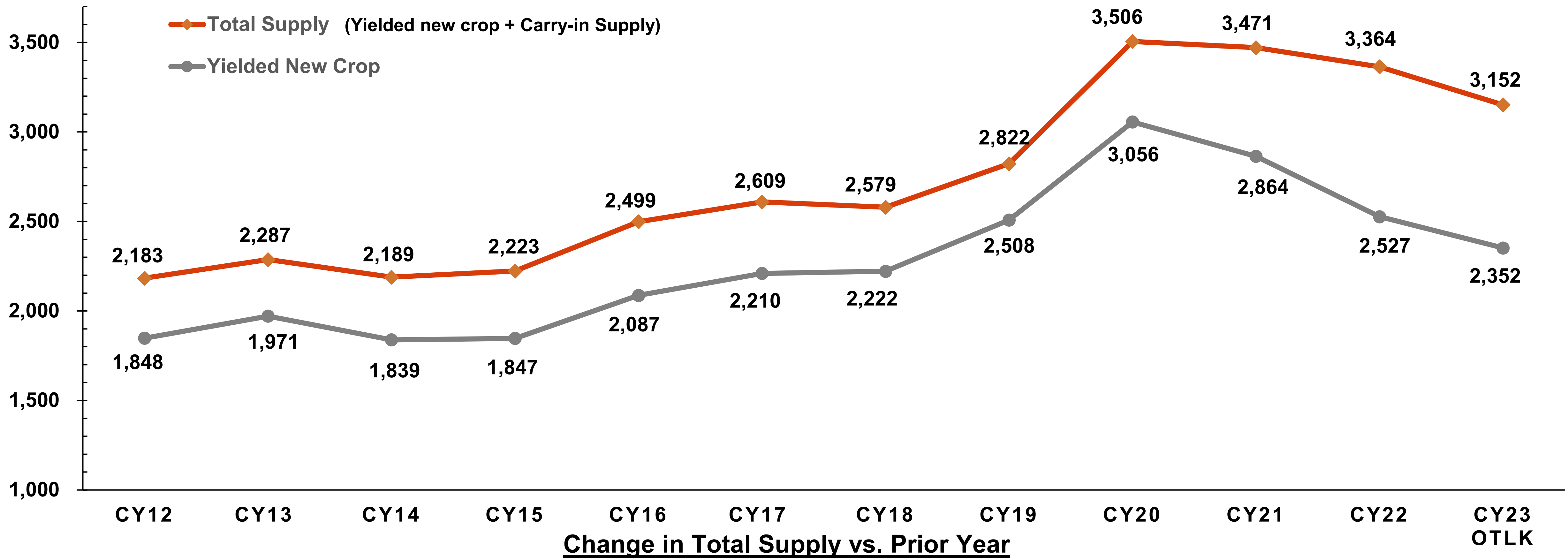
Crop Year

2010 – 2023 Acres are based on Land IQ acreage data.

2022 Final = 2.571 B Lbs. from 1.343 MM Bearing acres
2023 Outlook as of 10/18/23 = 2.45 B Lbs. & 1.360 M/Bearing Acres

California Almond Industry Saleable Supply

(In millions of pounds)



Change in Total Supply vs. Prior Year

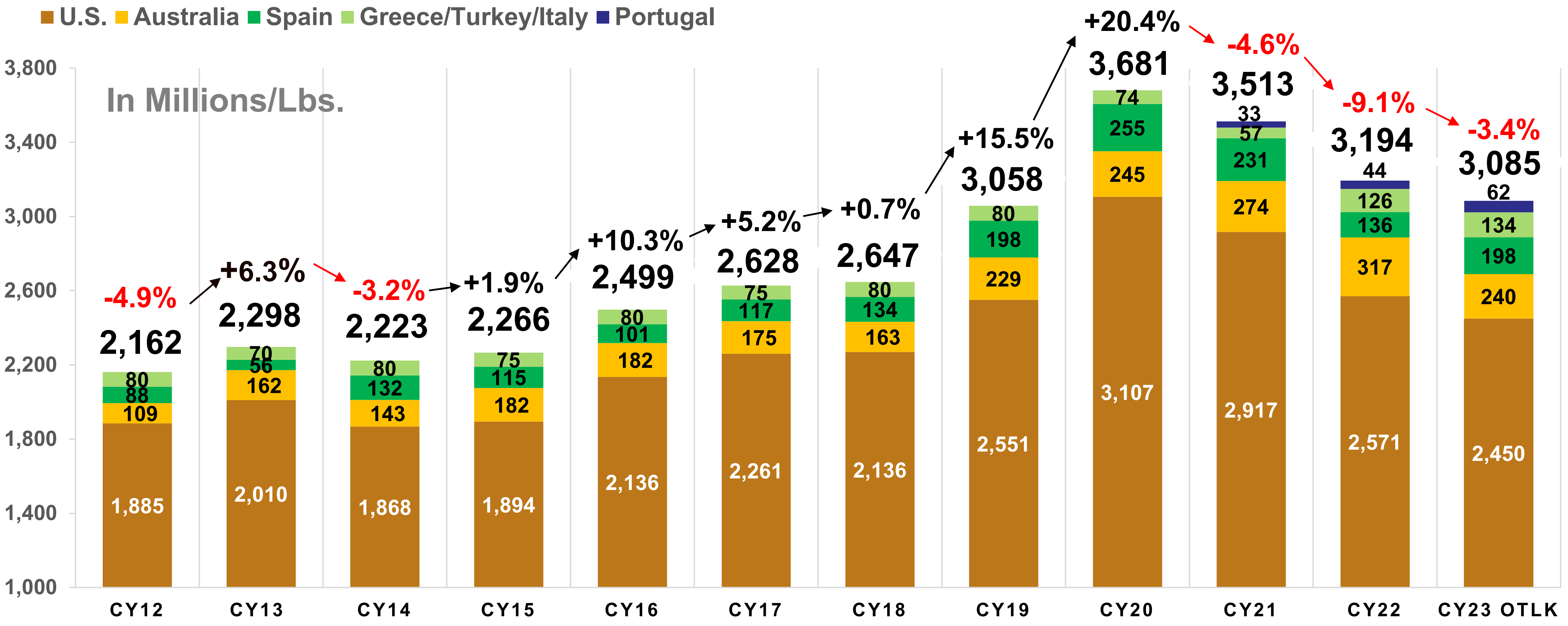
CY12	CY13	CY14	CY15	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23 OTLK
-2.3%	+4.8%	-4.3%	+1.6%	+12.4%	+4.4%	-1.1%	+9.4%	+24.2%	-1.0%	-3.1%	-6.3%

Source: All historical figures come from Almond Board Reports.

2022 Final: Based on Gross Crop Size of 2.571 billion less -1.67% In-edible/Loss and a carry-in supply of 837 million from CY'21.

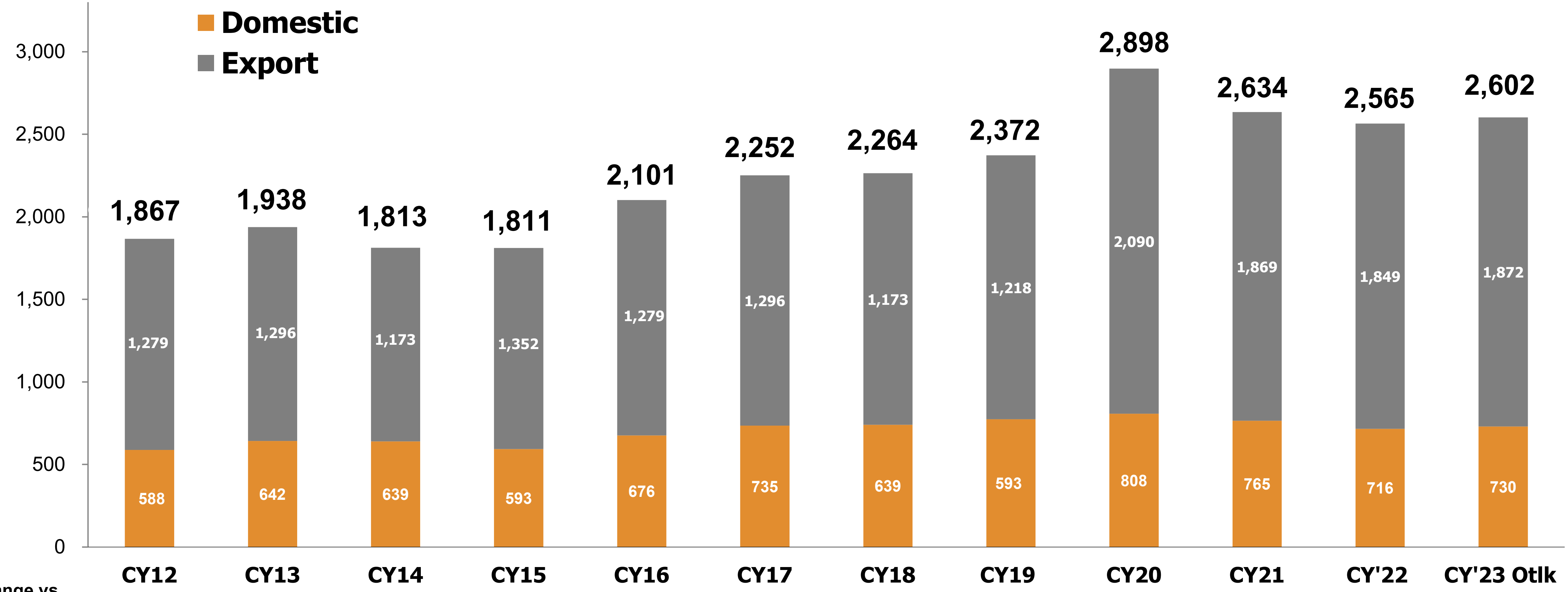
2023 Outlook: 2.45 billion less -4.0% In-edible/Loss and a carry-in of 800 million as of 11-10-23

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



Figures for 2021 are based on INC Official Almond Production Statistics Chart Updated in October 2022. Crop Year 2022 Actuals & 2023 Estimates are based on figures used for INC 2023 Official World Production Chart as of 5/15/23. Figure for U.S. in 2023 is based on the current outlook as of 11/10/23. Spain CY23 figure revised to 90,000 MT in September 2023 as extreme drought through the summer of 2023 had a negative impact on their crop (original estimate was 128,500 MT in May of 2023). It is expected that the gross crop size outlook for the U.S. will be lower in coming months based on current harvest trends of lower-than-expected yields vs. estimates.

California Almond Industry Shipments – Domestic vs. Export



Change vs. Prior Year:	CY12	CY13	CY14	CY15	CY16	CY17	CY18	CY19	CY20	CY21	CY'22	CY'23 Otlk
	-1.7%	+3.8%	-6.5%	-0.1%	+16.0%	+7.2%	+0.6%	+4.8%	+22.2%	-9.1%	-2.6%	+1.4%

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

Source: ABC Monthly Reports

2022 Final shipments resulted in a 800-million-pound carry-out into CY’23.
2023 Estimated shipments will result in a 550-million-pound carry-out into CY’24.