



Wonderful citrus™ Citrus Market Overview

2024





About Us

the Wonderful company™

Healthy people harvesting healthy
products for a healthy world





**Largest grower of owned acres in N. America, including mandarins, lemons, limes, oranges, grapefruit, pistachios, almonds, pomegranates*

Privately-held,
\$6B global
company
10,000
employees
worldwide
#1 private
grower w/ 58K
owned hectares*

- **Vertically-integrated** from seed to shelf
- Grow, harvest, bottle, package, and market a diverse **range of healthy products**
- Deep **commitment** to philanthropy, sustainability and community development



Wonderful
citrus™

**The
leading
vertically-
integrated
citrus
company
in North
America**



**Top-performing
mandarin brand**

MANDARINS



**Export to over 14
different countries**

ORANGES



**Market-leader of
TX Red Grapefruit**

GRAPEFRUIT



**Exclusive seedless
variety**

LEMONS



**Fair trade and
organic**

LIMES



**Expanding specialty
citrus program**

SPECIALTIES

Full vertical integration - 11 businesses in 1 and more than 1 billion pounds of citrus annually

or 35MM cartons

Wonderful
citrus™



TEAM
7,590
total

3,860
CA

1,000
TX

130
FL & NJ

2,600
MX



FARMING
32,000
total hectares

17,600
CA hectares

8,400
TX hectares

6,000
MX hectares



VARIETIES
10
total

8
CA

4
TX

7
FL/NJ

3
MX



JUICE
1
total/TX



PACKING HOUSES

11
total

2
CA

1
TX

2
MX

2
NJ

1
FL

1
GA

2
CAN



SALES + MKTG
GLOBAL



NURSERY
3
total | 1 CA 1 TX 1 MX



MERCHANDISING
250 merchandisers
U.S. & Canada

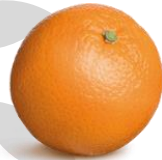
Where we grow



Valencia



Mandarin



Navel



CA Lemon



Total Hectares
~32k

CENTRAL VALLEY
WONDERFUL CITRUS GLOBAL HQ
[Oranges/Lemons]

VENTURA
[Lemons/Mandarins]

DESERT
[Lemons]

MX
Lemon

Grapefruit

TX Orange

WONDERFUL CITRUS TEXAS HQ
[Grapefruit/Oranges]

MX Lime

MEXICO LEMON
[Tamaulipas and San Luis Potosi]

MEXICO LIME
[Tabasco and San Luis Potosi]

Wonderful's ongoing journey to becoming the most respected citrus supplier in the industry



2010 - 2019

One Stop Citrus Shop

PHASE:
Building scale & capabilities

APPROACH:
Growth period; strategic investment and acquisition



2020 - 2022

COVID ERA

Better, Not Bigger

PHASE:
Developing people, process & culture

APPROACH:
Internal reflection; fortifying our mission-driven philosophy



2023 - 2030

The Wonderful Experience

PHASE:
Listening, observing & adapting

APPROACH:
Value creation; partnership through learning & engagement



Our Leading **Citrus Brands**



Halos Mandarins
Top-selling brand and healthy
snack for kids & families

**Seedless
Lemons**
Newest produce
innovation & industry
game changer!

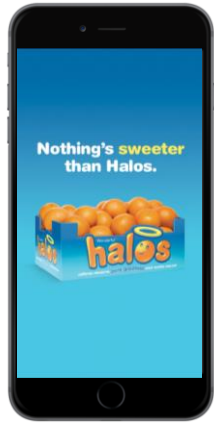


**Sweet Scarletts
Red Grapefruit**
Reddest, sweetest, and best
tasting grown in Texas



We use tools to build awareness & demand

Geo-Targeted
Social Media



Fun Stickers



PR Coverage



Themed Craft Series



Press & Consumer
Mailers



Cart-stopping
point of sale to
drive impulse &
trial purchases



New campaign – kids love Halos because *they're the sweetest*



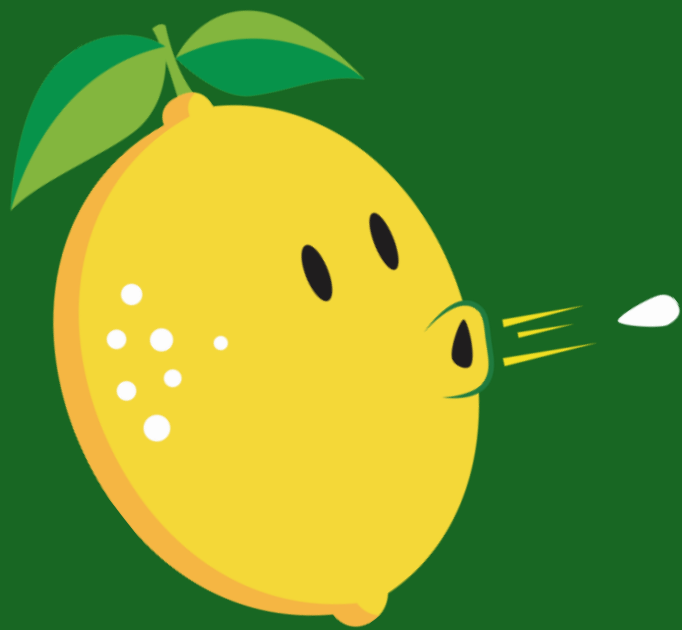
We have invested in influencer marketing to reach our target audience

Chrissy Teigen visited Lemon Hill to try out our innovative lemons



Actress, Model,
Cookbook Author
40 MM followers





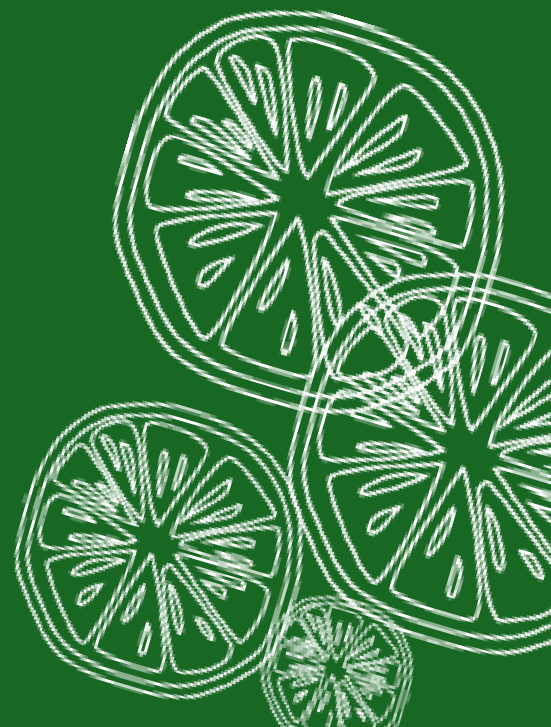
Hey guys,

Cravings

by

CHRISSY TEIGEN

1.2M views
and 22.4K
likes and
counting!





Citrus Market Update

February 2024

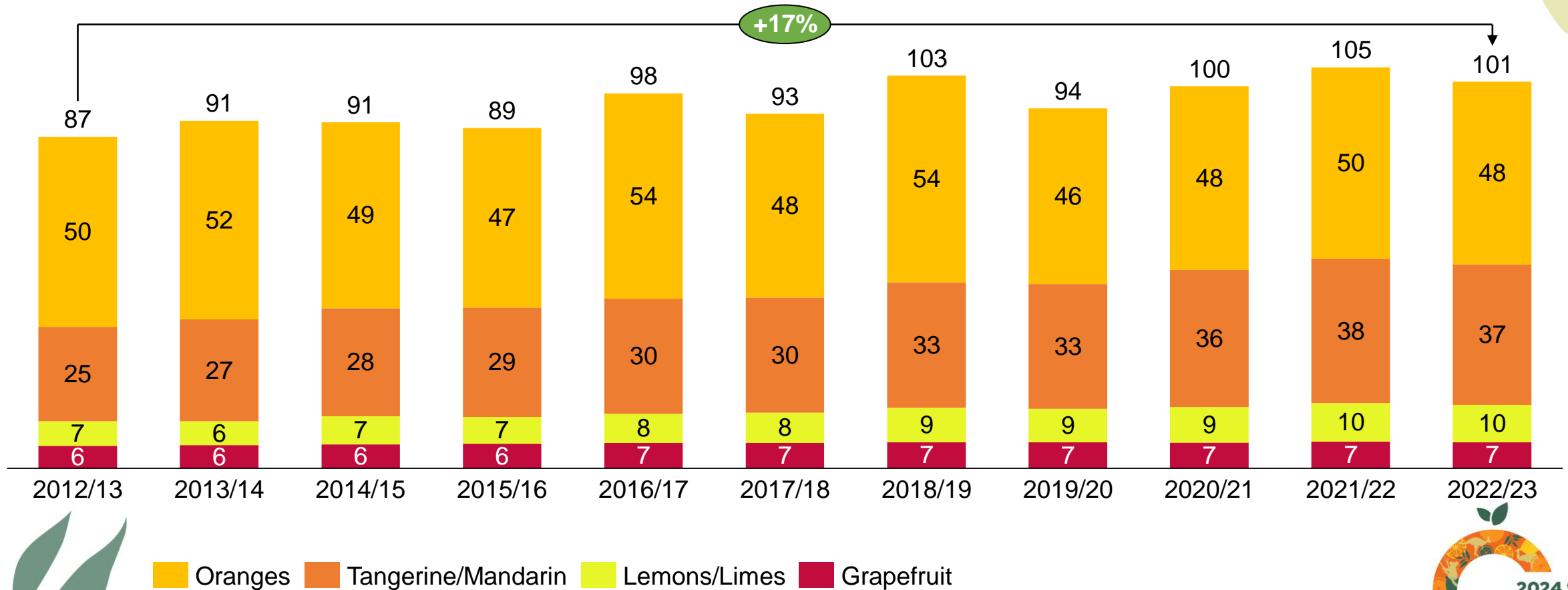


Global citrus increases 17% since 2012/13

Lemons & Mandarins drive growth during that window

Global Production of Fresh Citrus

000s on Metric Tons, Crop Years



Source: USDA Citrus: World Markets and Trade – January 2024, 2020, 2016



Ratio of \$/store and kg/store between seasons has been narrowing



Comparison of Mandarin Sales per Store, Winter v. Summer Season

\$/Store (top) and Kg/store (bottom)

Winter Summer

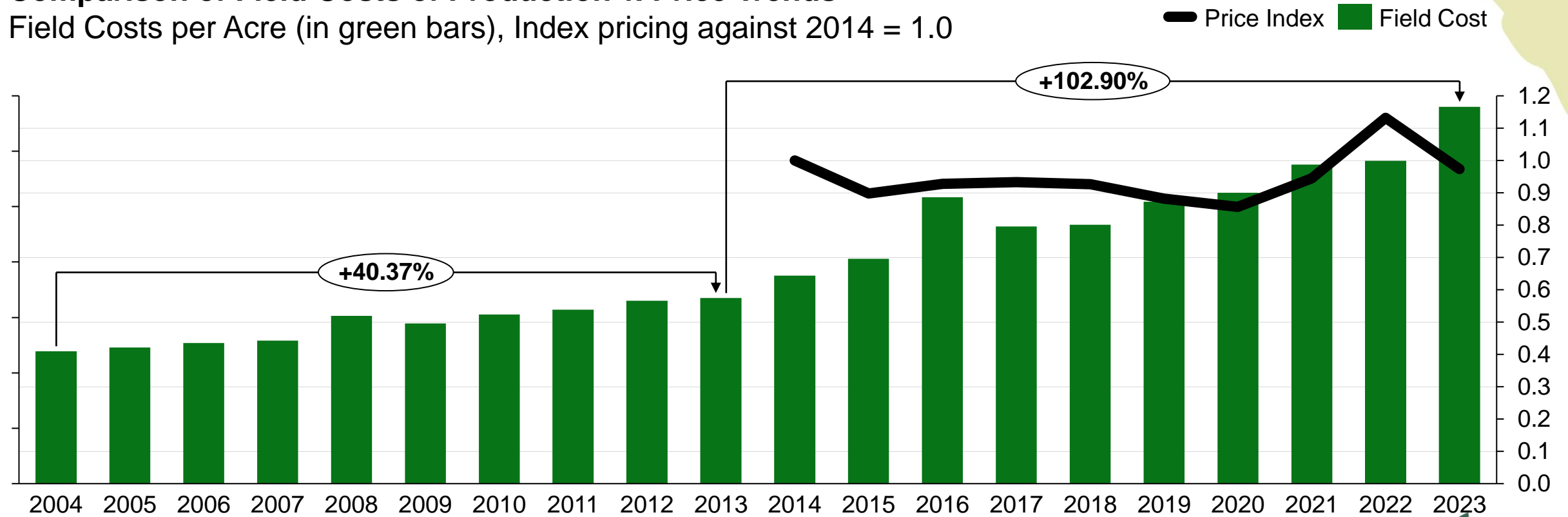


Source: IRI Mulo, 2017-2023 WC Citrus Scorecard

Reconciling higher supplies = lower price against rising production costs

Comparison of Field Costs of Production v. Price Trends

Field Costs per Acre (in green bars), Index pricing against 2014 = 1.0



Source: CCGA Trigger Price Calculations, Internal WC Pricing



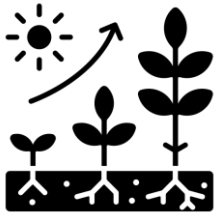
We have entered a new phase.

What worked in the past may not work now.



2010-2019

Expansion



Rapid Volume Growth

Aggressive plantings



High Grower Margins

Velocity drives retail profits



Growing Consumption

Demand exceeds supply, marketing drives consumption

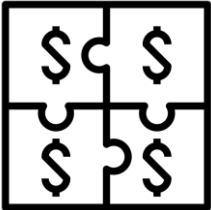


Prevailing citrus operator strategy



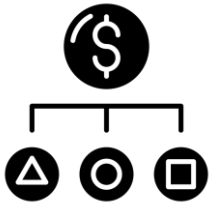
2020-Present

Saturation



Consolidation more frequent than outright growth

Overleveraged during expansion; bet on wrong varieties



Diversification of risk

Diversification of geography and markets; drive brand, B2B, or product differentiation



Optimization

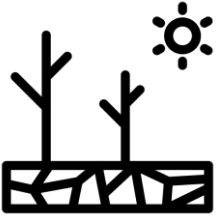
End of high margins calls cannot cover for suboptimal parts of the business and portfolio. Calls for optimization and cost reduction measures, including redevelopment of portfolio, technology, and low-cost production



Despite slower expansion, business sustainability calls for strong investment



Capital Draw



Drought

California, Mexico, South Africa, Spain, Argentina
Wells, efficient irrigation, water delivery



HLB

California, Mexico, Brazil
Grove development costs, R&D, mitigation costs



Redevelopment Costs

Variety obsolescence, tree age or productivity



Margin Compression



Labor

All Countries
Cost absorption, automation



Greener Solutions

MRL, sustainability conversion costs



Inputs & Chemistry

Ag chemicals costs, chemistry resistance, new chemistry availability





Thank you!

