

PISTACHIOS ROUND TABLE




VANCOUVER
INC XLI WORLD NUT AND
DRIED FRUIT CONGRESS
🌿 🌿 May 8-10, 2024 🌿 🌿

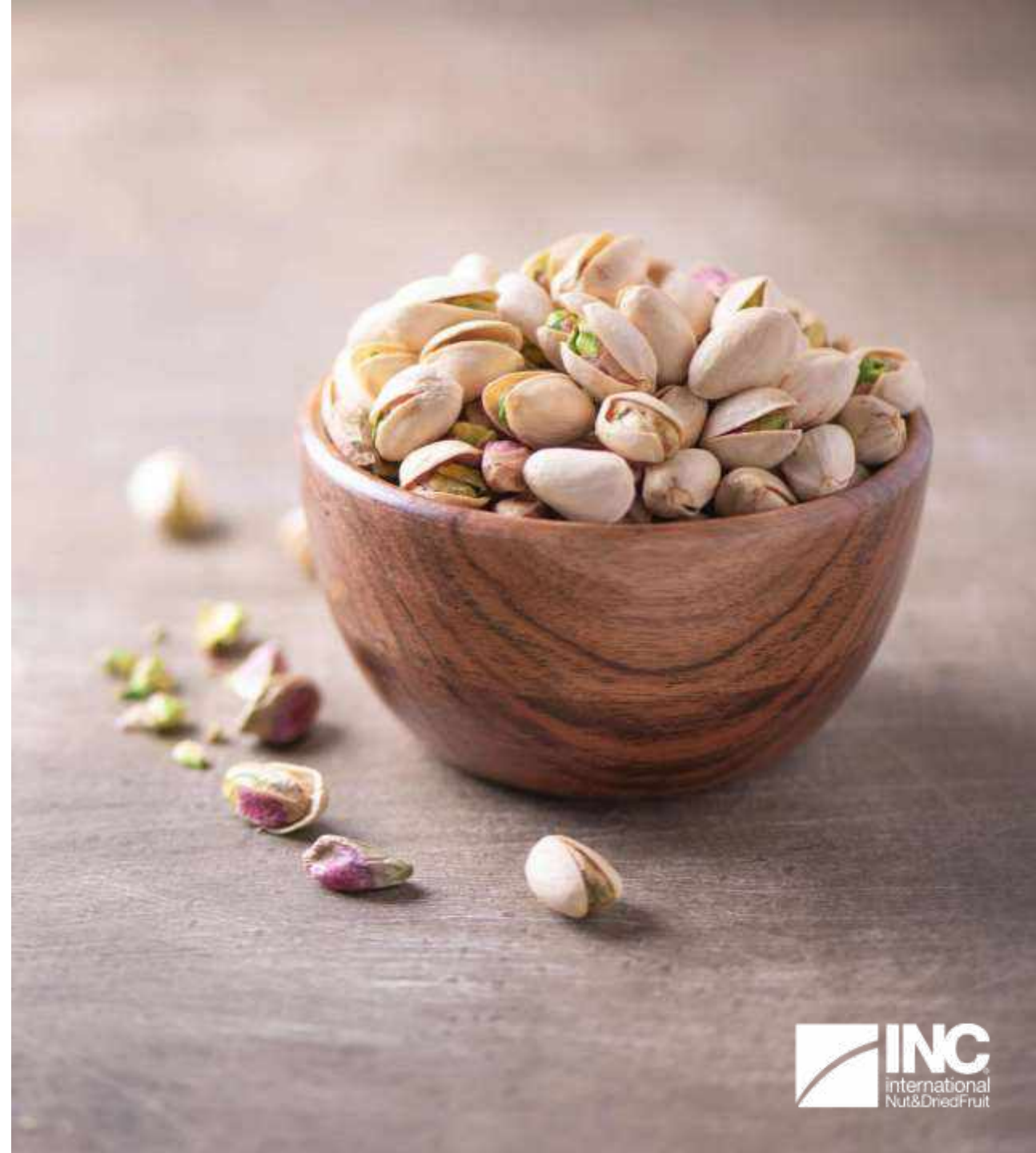
Panel

- Chair: **Mike Hohmann**, Executive VP and CFO, Wonderful Pistachios & Almonds, USA
- **Mia Cohen**, Chief Operating Officer, Setton Pistachio of Terra Bella, USA
- **Behrooz Agah**, Member of the Board of Directors, Iran Pistachio Association, Iran
- **Yasir Aydin**, Manager, Aydin Kuruyemis, Türkiye
- **Carlos Suzarez**, CEO, Nuevos Cultivos Agrarios, Spain, and President, European Pistachio Council, EPC
- **Gunjan Jain**, Managing Director, VKC Nuts P Ltd, India

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Program

1. Pistachio World Supply
2. China Growth Opportunity
3. United States Industry Update
4. Iran Industry Update
5. Türkiye Industry Update
6. Spain Industry Update
7. India Growth Opportunity



ESTIMATED WORLD PISTACHIO PRODUCTION

In-shell Basis. Metric Tons

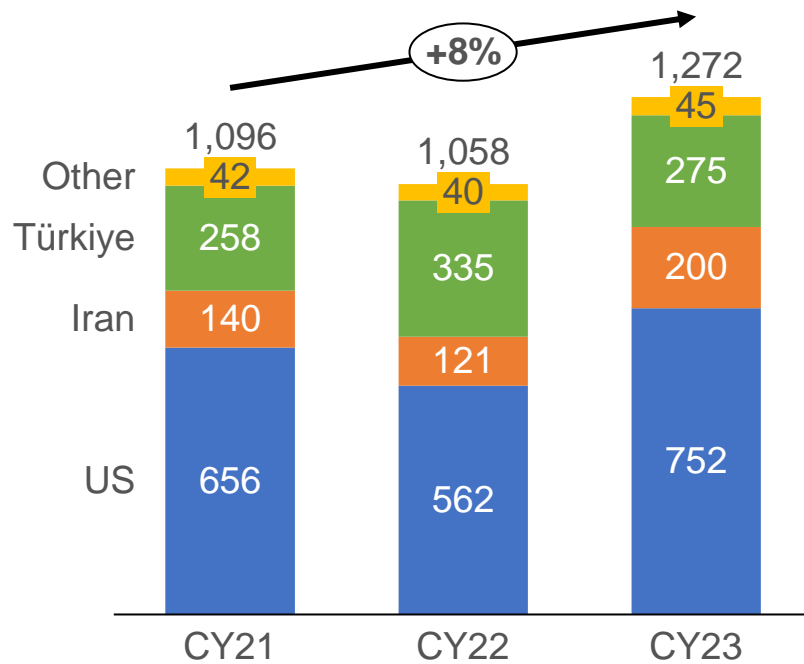
COUNTRY	2023/2024				2024/2025			
	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK
USA (M lbs)	164	1,493	1,657	250	250	1,100	1,350	150
USA (MT)	74,460	677,830	752,290	113,500	113,500	499,400	612,900	68,100
IRAN	20,000	180,000	200,000	35,000	35,000	200,000	235,000	30,000
TÜRKIYE	95,000	180,000	275,000	50,000	50,000	400,000	450,000	180,000
SYRIA	0	25,500	25,500	0	0	28,050	28,050	0
GREECE	0	4,500	4,500	0	0	7,500	7,500	300
SPAIN	0	6,000	6,000	0	0	6,500	6,500	0
AUSTRALIA	0	1,400	1,400	0	0	4,600	4,600	0
ITALY	50	4,100	4,150	0	0	2,800	2,800	0
AFGHANISTAN	0	2,500	2,500	0	0	2,500	2,500	0
CHINA	0	500	500	0	0	300	300	0
WORLD TOTAL	189,510	1,082,330	1,271,840	198,500	198,500	1,151,650	1,350,150	278,400

WORLD CONSUMPTION (T. Supply - End. Stock)	1,073,340
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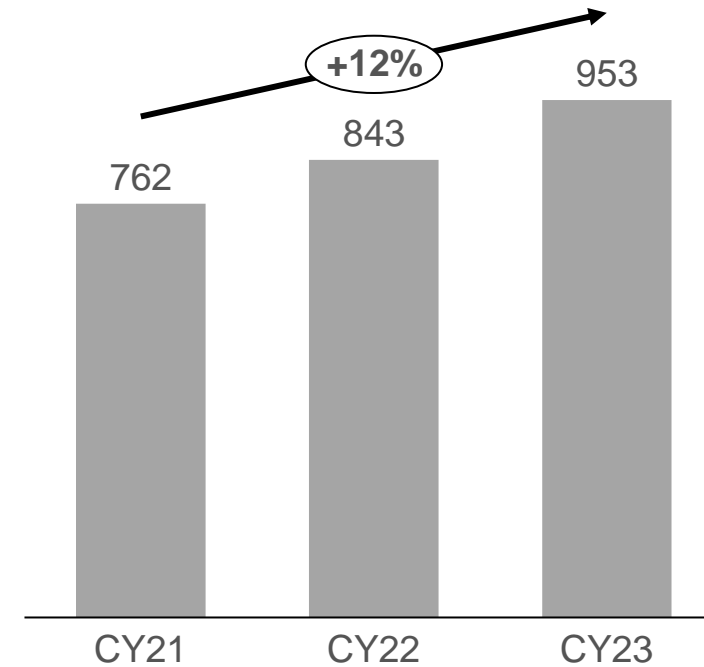
Sources: Iran Pistachio Association, European Pistachio Council, Greek Nuts & Fruits Trade Association, Australia Pistachio Growers' Association and other INC sources.

Demand continues to grow in tandem with supply

World pistachio total supply
CY21-23, MT thousands



World pistachio demand
CY21-23, MT thousands



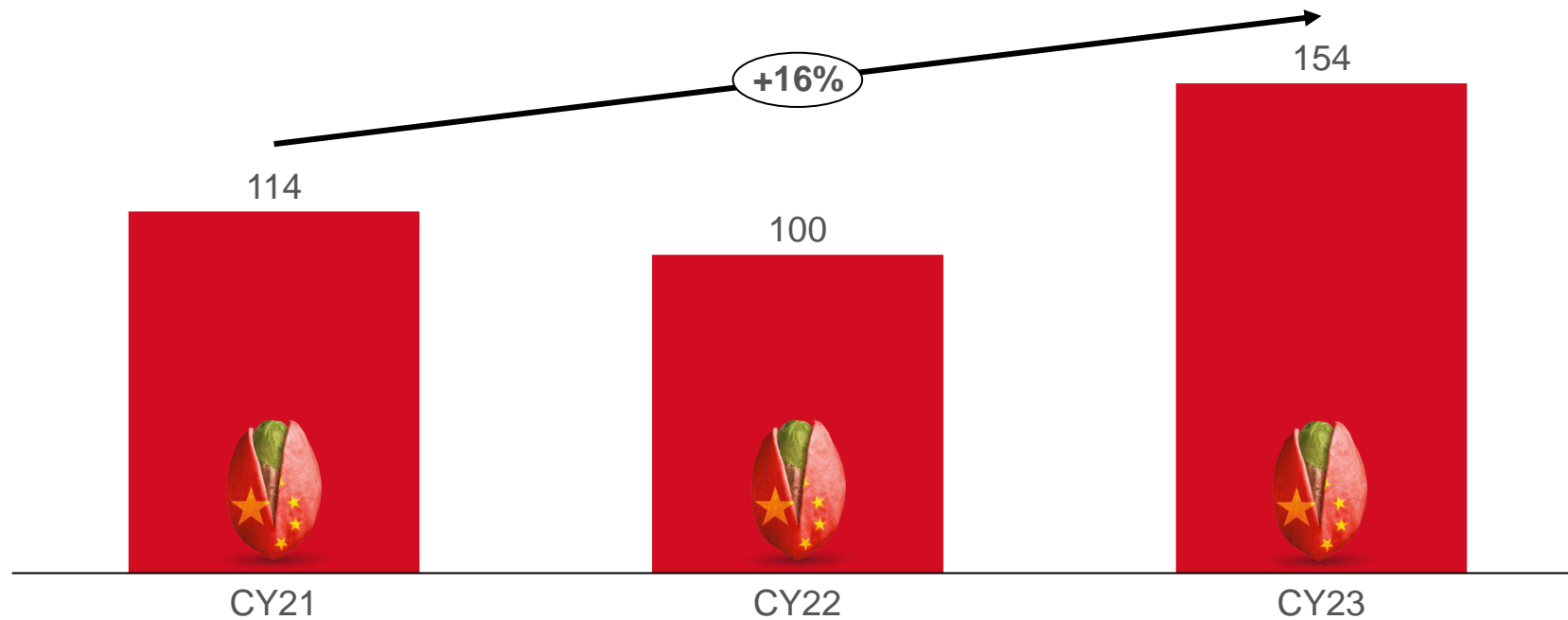
Note: Demand includes consumption and yield loss

Sources: Iran Pistachio Association, European Pistachio Council, Greek Nuts & Fruits Trade Association, Australia Pistachio Growers' Association and other INC sources.



China growth is outpacing global demand

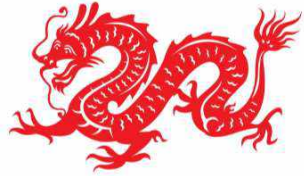
China pistachio demand
CY21-23, MT thousands



Sources: Iran Pistachio Association, European Pistachio Council, Greek Nuts & Fruits Trade Association, Australia Pistachio Growers' Association and other INC sources.



The 3 keys to success in the Chinese market



China's Needs



Large Scale: China was the largest market, with CY23 shipments expected to reach ~160K metric tons



Reliable Delivery: CNY demand required fast and efficient shipping prior to the early festival



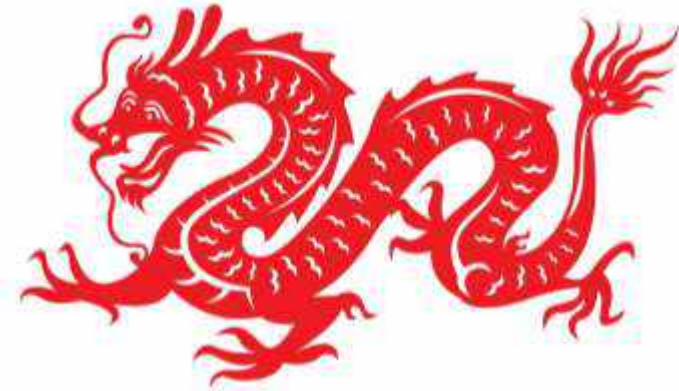
Chinese Investment: Supplier capabilities have increased to meet consumer and regulatory needs



In-Shell pistachios are a healthy and delicious snack to enjoy year-round, not just during special occasions!



In-Shell Pistachios
开心果



Everyday Essential
每日必需



No Shell pistachios great as a daily nut, or as an ingredient in innovative new products!



Daily Nut
每日坚果



No Shell Pistachios



Cookies & Crackers
曲奇饼干



Pistachio Nut Bars
开心果棒

Diverse Flavors
多重口味

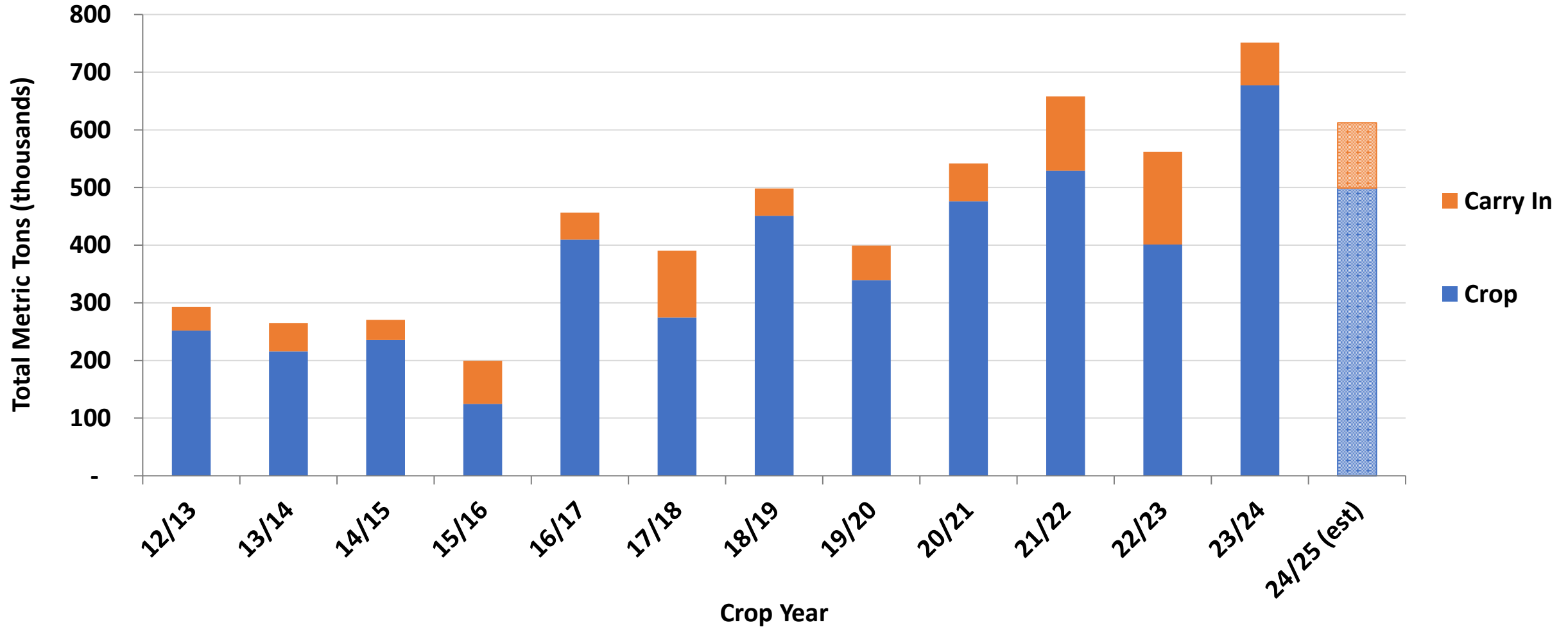


US Pistachio Market Overview

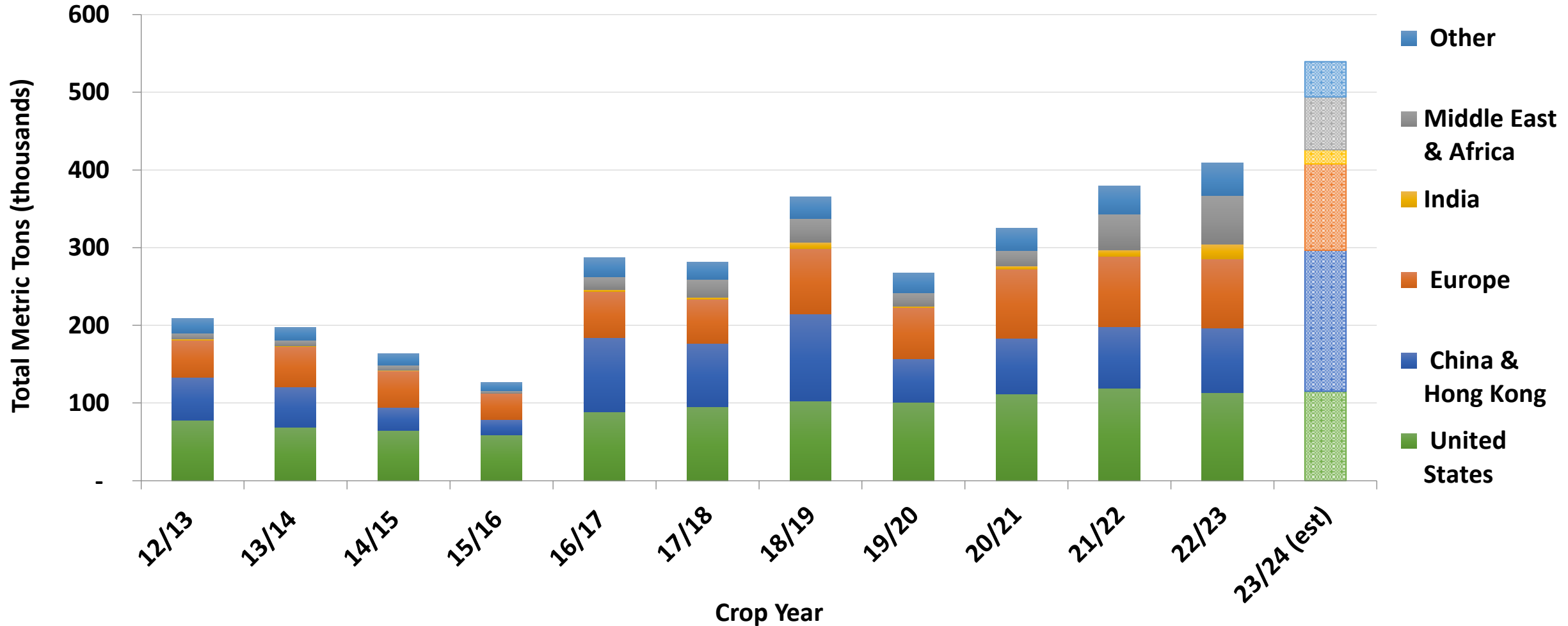
- California's 2023 crop was a record at nearly 1.5 billion pounds
- Year-to-date California pistachio shipments have been a record at 56% over last year
 - Domestic shipments have plateaued
 - Export shipments have set new record highs, at 77% over last year
- Carry over this year will be low
- Expecting a large “off” crop in 2024
 - Chilling hours on the low side, but adequate
 - Bloom a little on the late side
 - Increasing pistachio acreage shifting into the bearing category



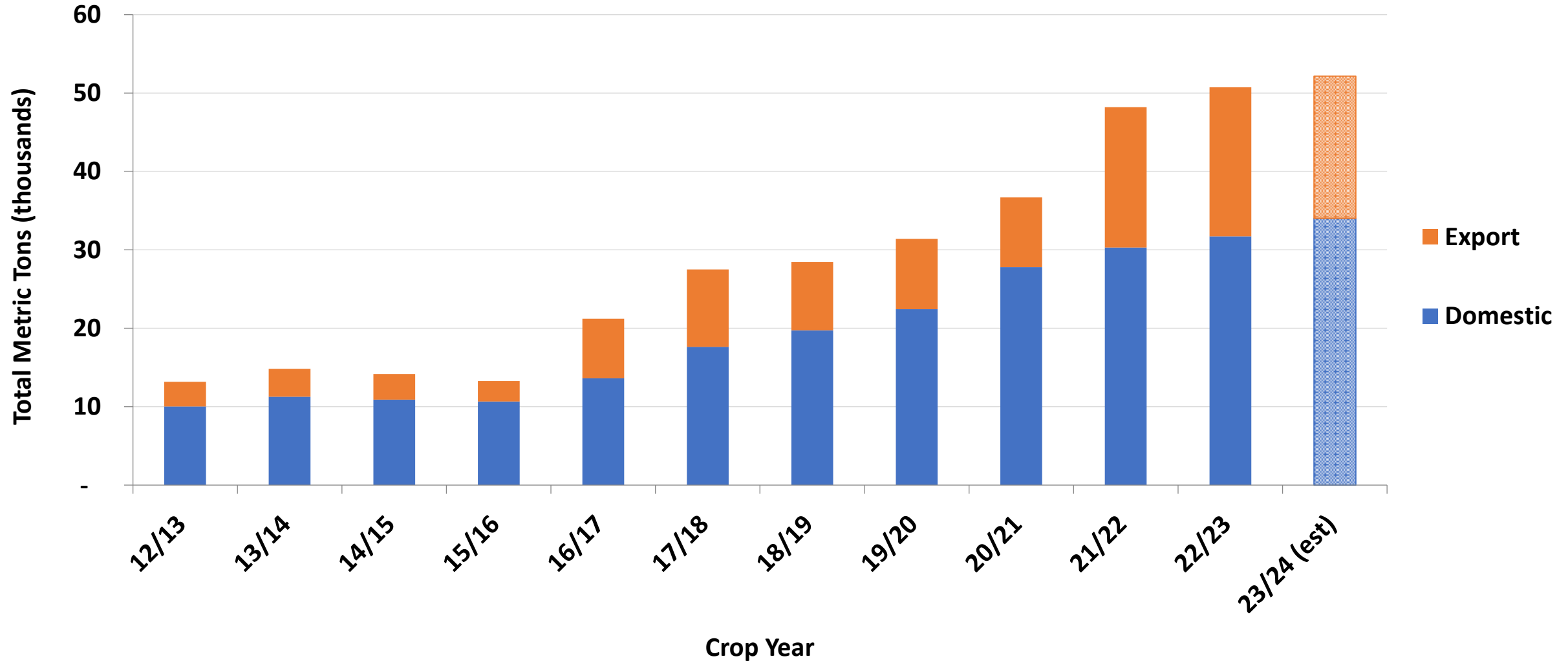
US Pistachio Production & Carry In



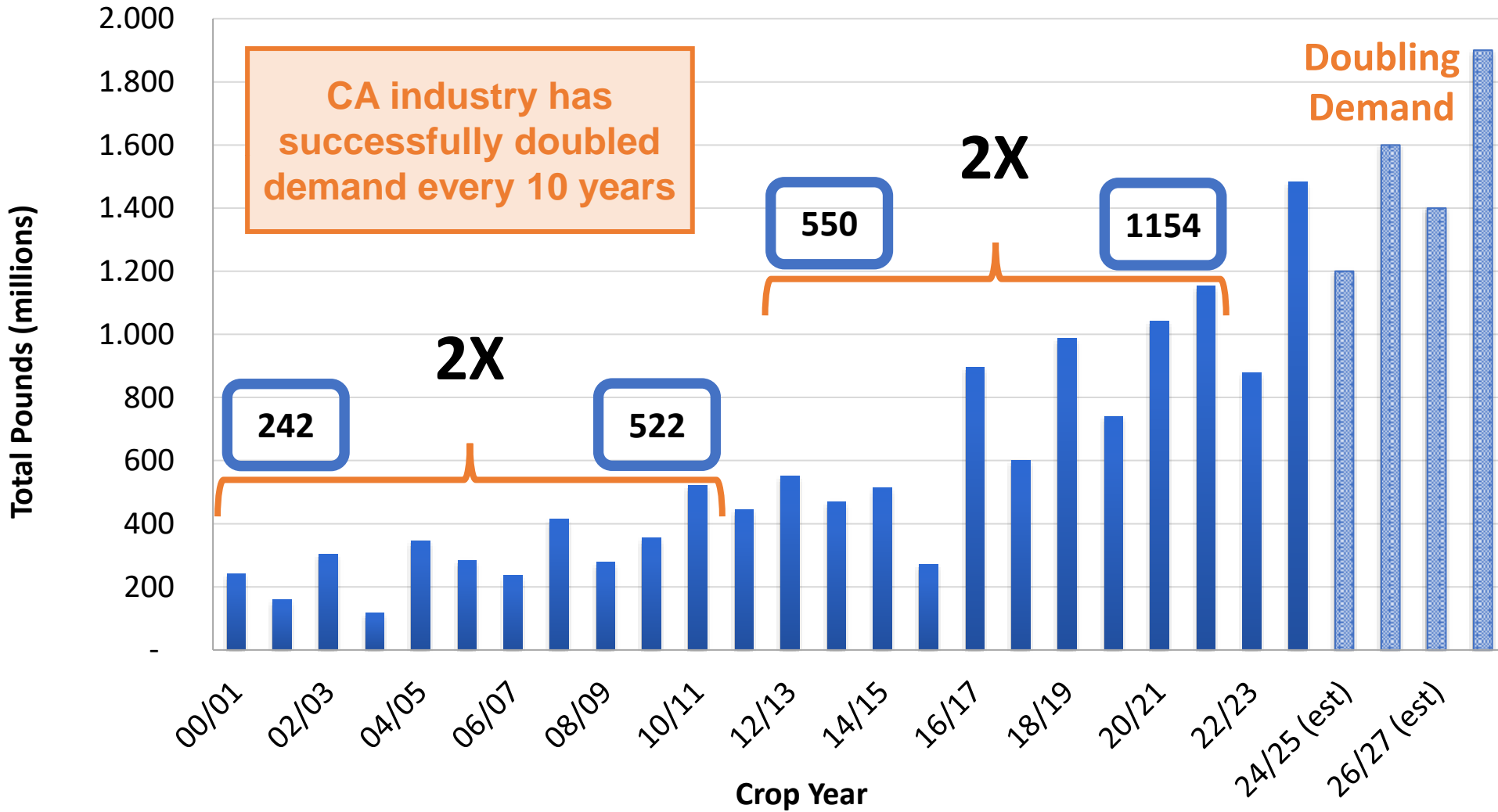
US Pistachio Shipments



US Pistachio Kernel Shipments



CA Demand Build



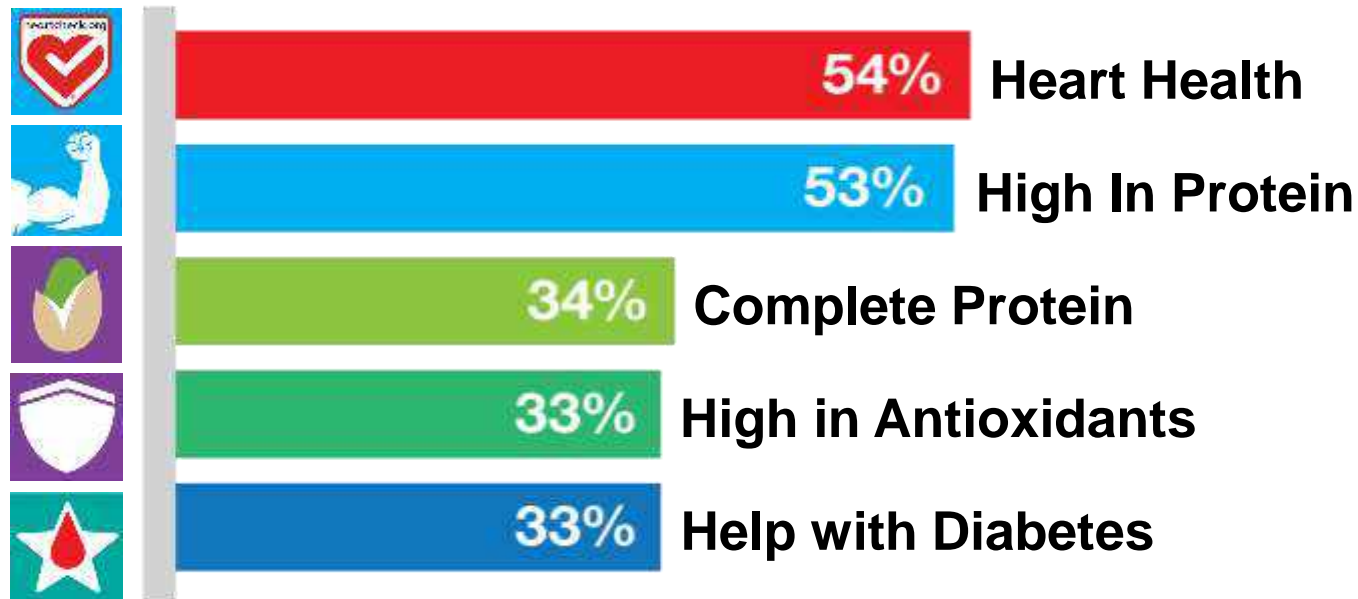
KEY DRIVERS

- Health - nutritional studies, trends
- Kernels - new occasions, convenience
- Innovation - flavor, uses
- Trend Setting - color, application



Health Driver

Health benefits that U.S. consumers believe they can get from Pistachios



**ALL
TRUE!**

Goal: 100%

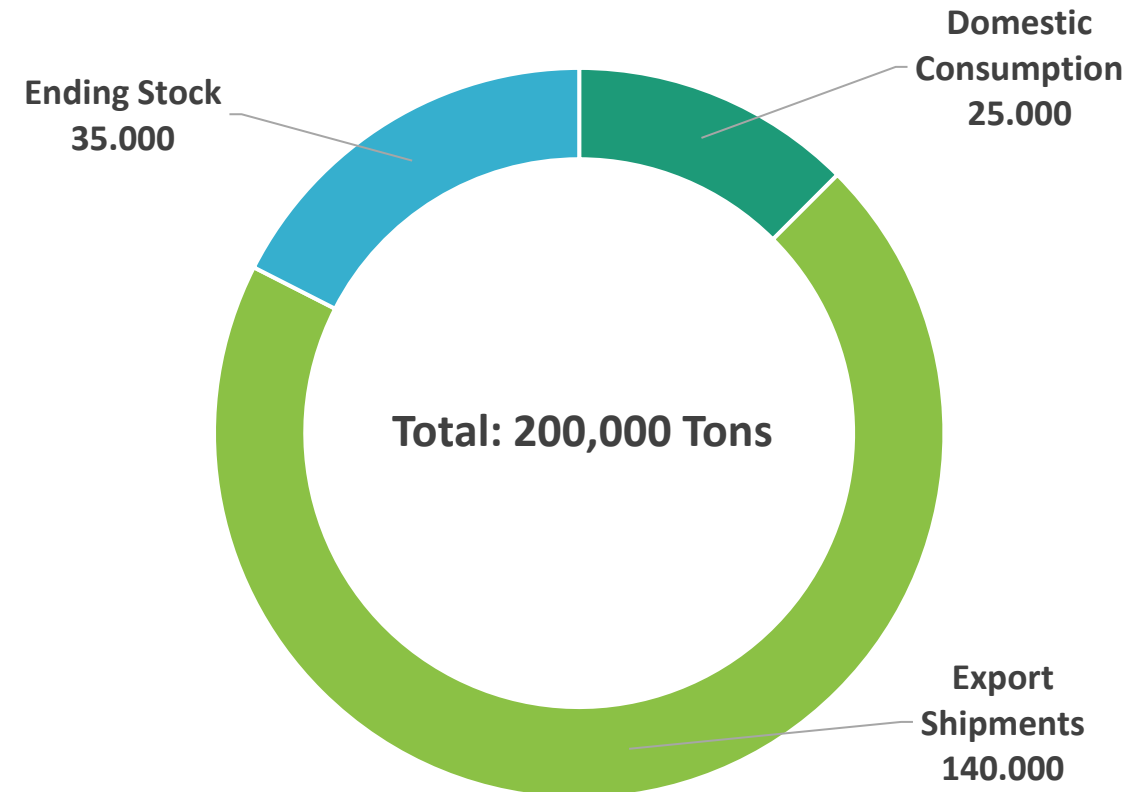
Industry will use health messaging to continue building demand into the future



Iran Market Overview

Marketing Month: 6	Crop: 2023	%	2015-2022 Average %
Carry in from Previous Year	20,000	10	11
Total Production	180,000	90	89
Gross Inventory	200,000	100	100
Domestic Consumption	(18,000)	9	10
Export Shipments	(67,000)	34	44
Export Adjustments/Losses*	(15,000)	7	7
Total Consumption	(100,000)	50	61
Ending Inventory	100,000	50	39

Projected 2023 Iranian Pistachio Shipments

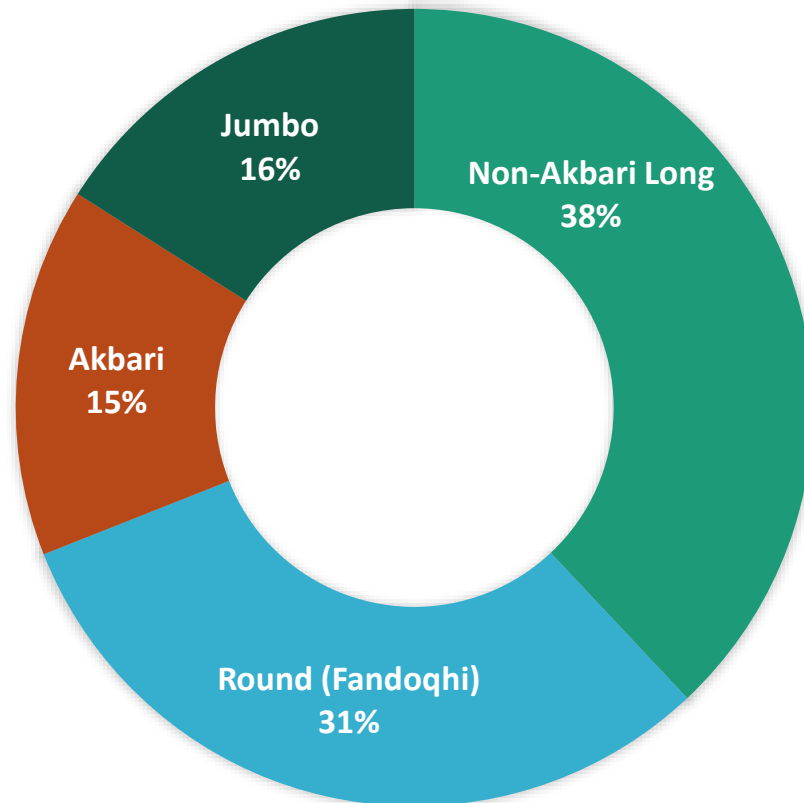


*Export Adjustments/Losses related to shelling and peeling process of kernels and green kernels.

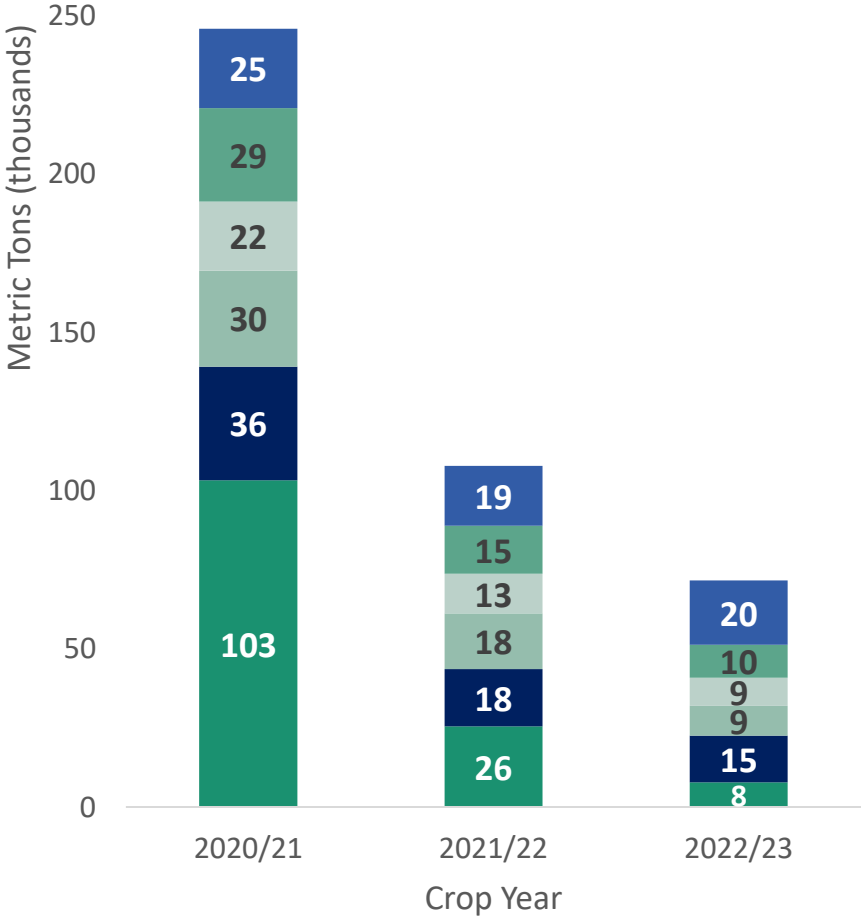


Iran Production

2024 CROP PROJECTION: 200,000 MT

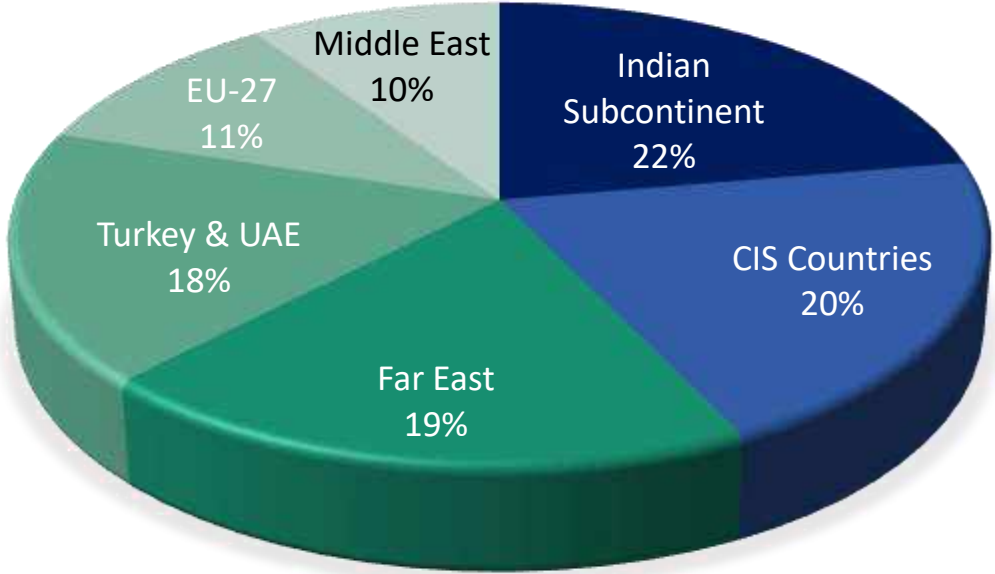


Iran Shipments



- CIS Countries
- Turkey&UAE
- Middle East
- EU-27
- Indian Subcontinent
- Far East

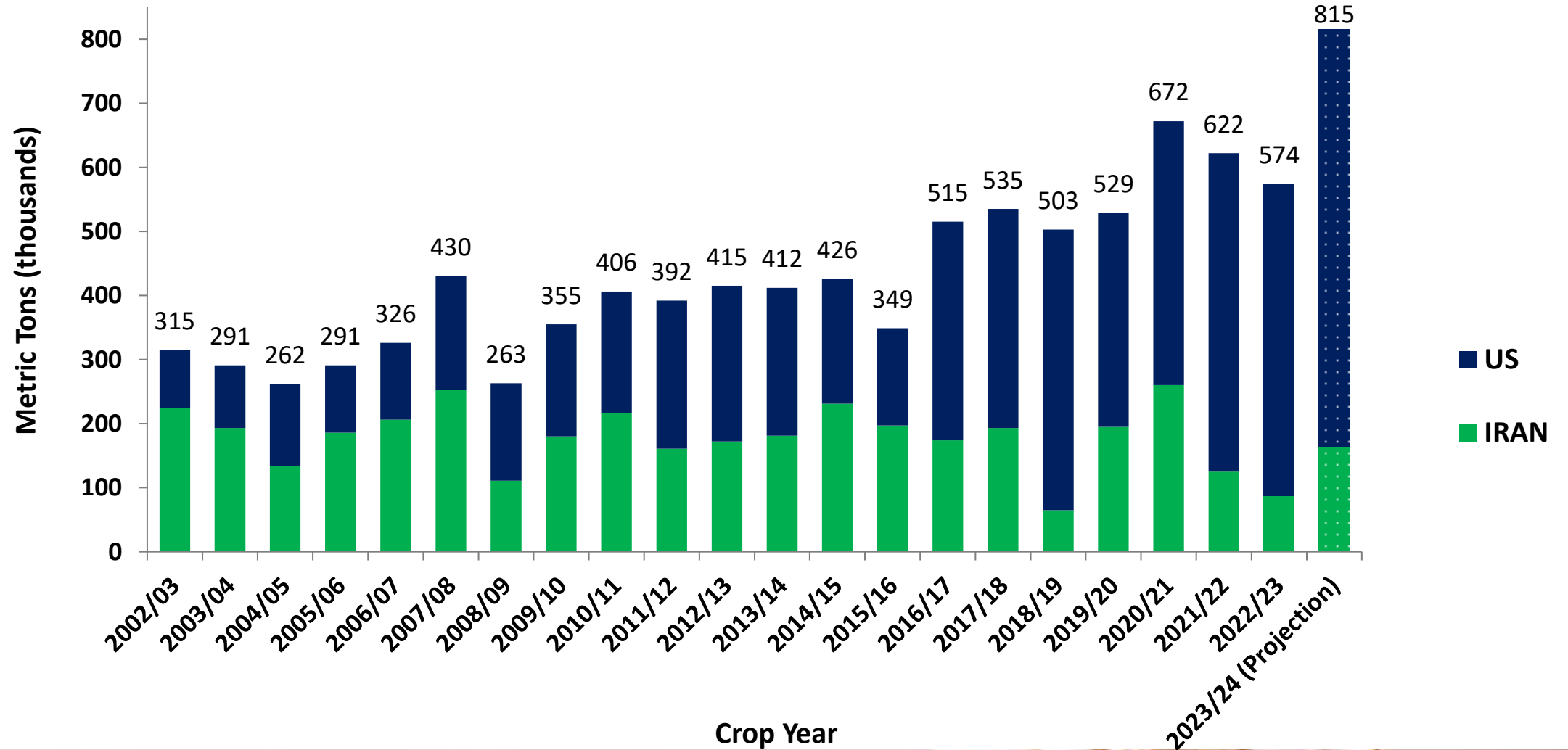
SEPTEMBER 2023 – FEBRUARY 2024



Note: In-shell equivalent
 Source: Iran Pistachio Association



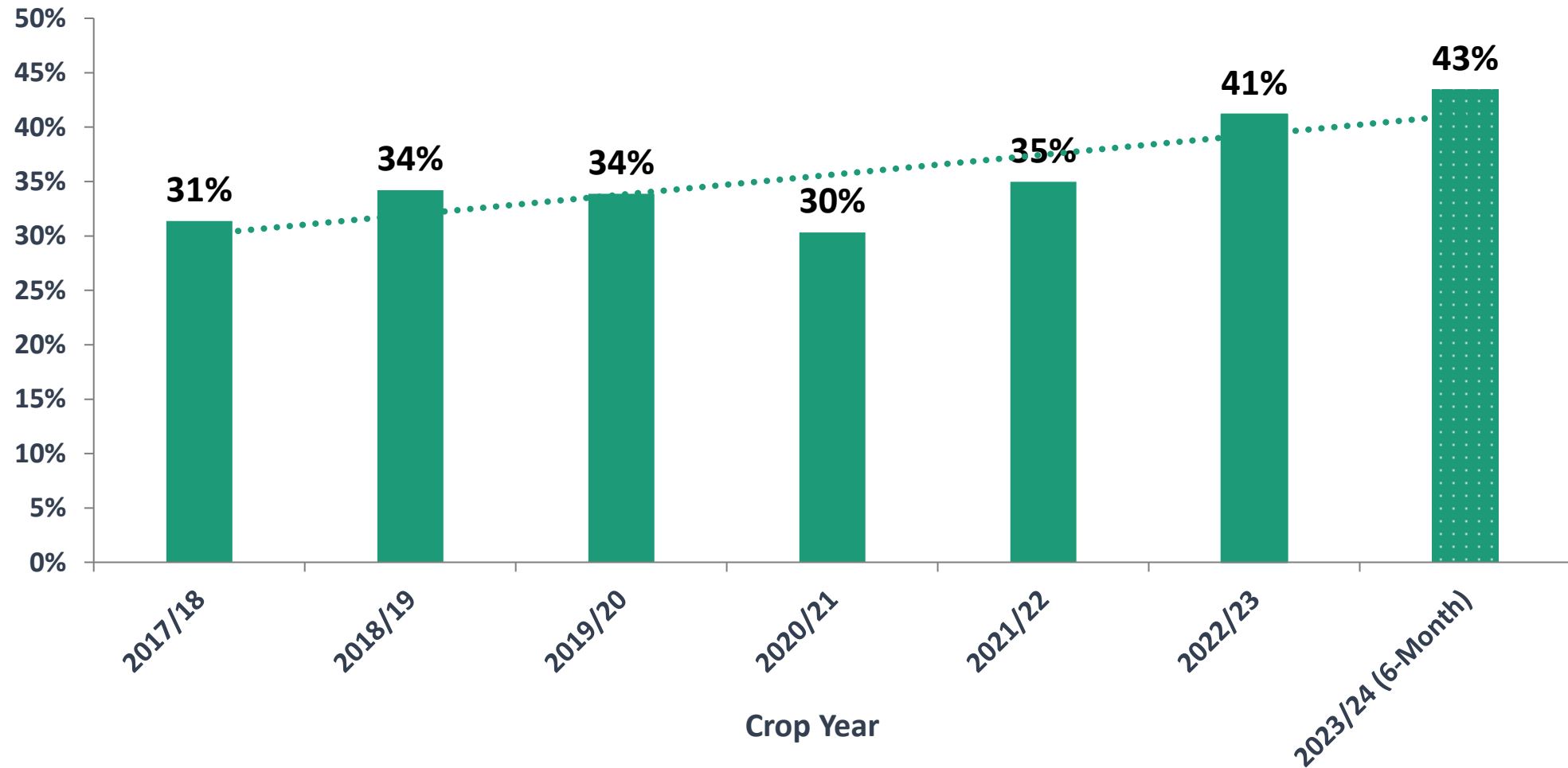
Iran & US Total Pistachio Shipments (Domestic + Export)



Note: In-shell equivalent
Source: Iran Pistachio Association



Iran Shipments: Share of Kernels from Annual Exports

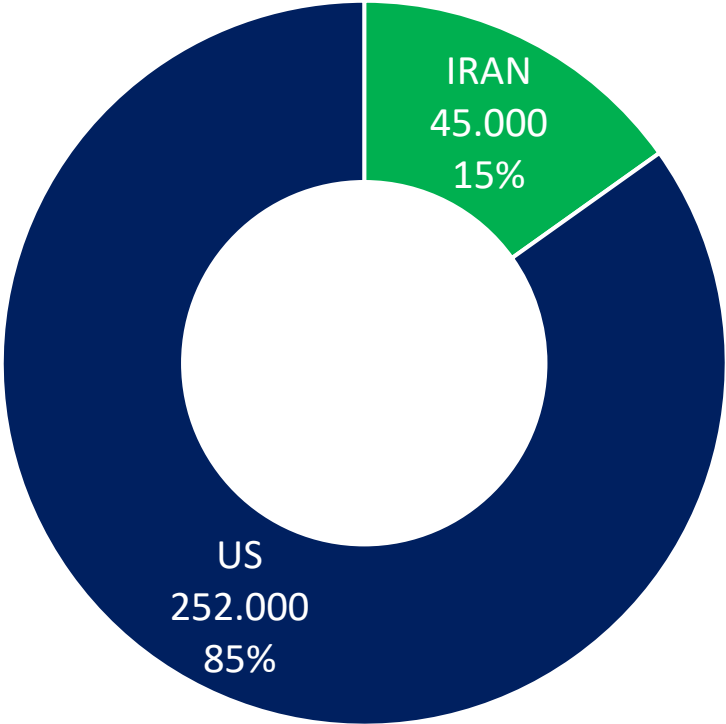


Note: In-shell equivalent
Source: Iran Pistachio Association

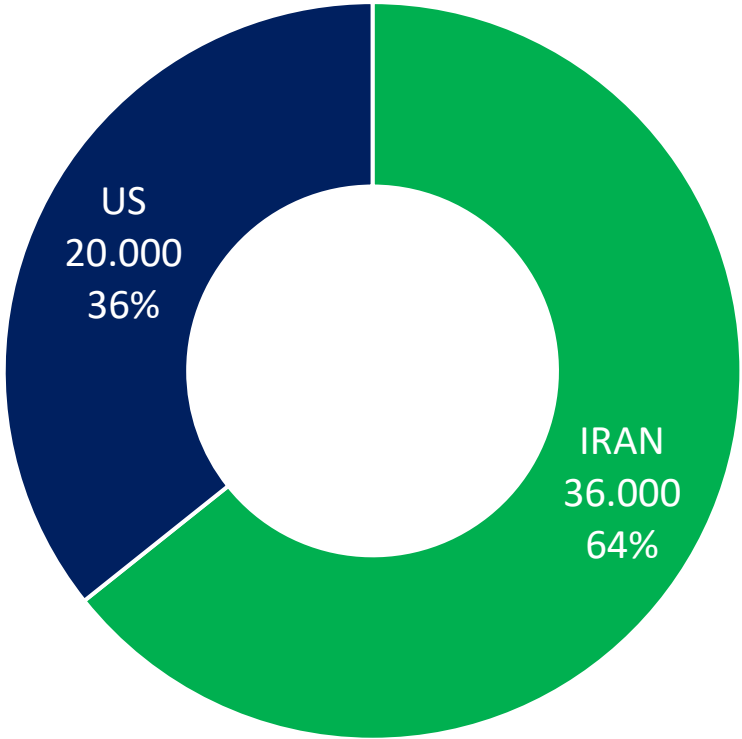


Share of Iran & US Pistachio Kernels vs. Open In-Shell Export

Open Inshell Shipments



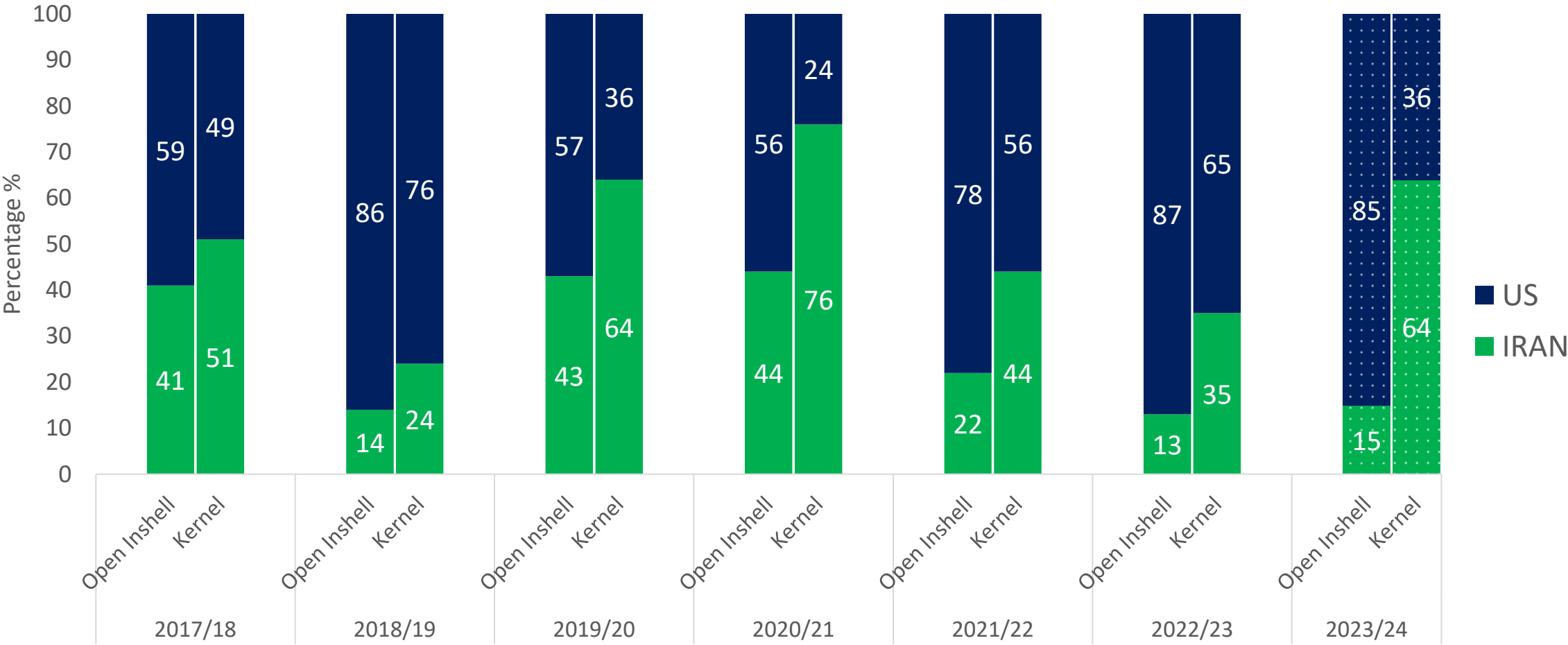
Kernel Shipments



Note: In-shell equivalent, CY24 YTD (Sept 2023 – Feb 2024)
Source: Iran Pistachio Association



Percentage Share of Iran & US Pistachio Kernels vs. Open In-Shell Export



Note: In-shell equivalent
 Source: IPA Estimates



Türkiye Market Overview

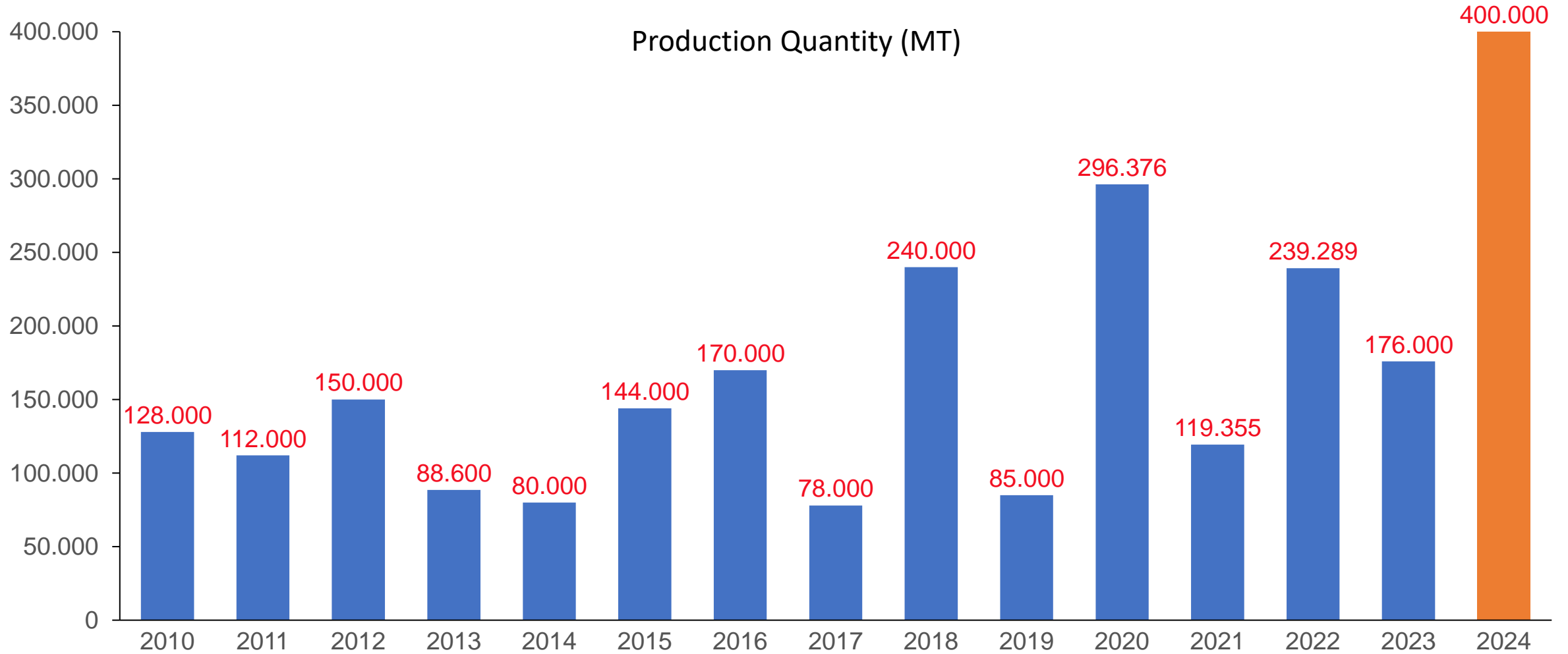
- 2023 crop was shorter than expected
- Strong domestic demand and short supply resulted in higher prices

Outlook:

- New acreage growing at a consistent pace
- As of today, a record crop is expected
- Increase on production will ensure reliability and consistency of supply for export markets
- Consumers are more familiar with Turkish Pistachios

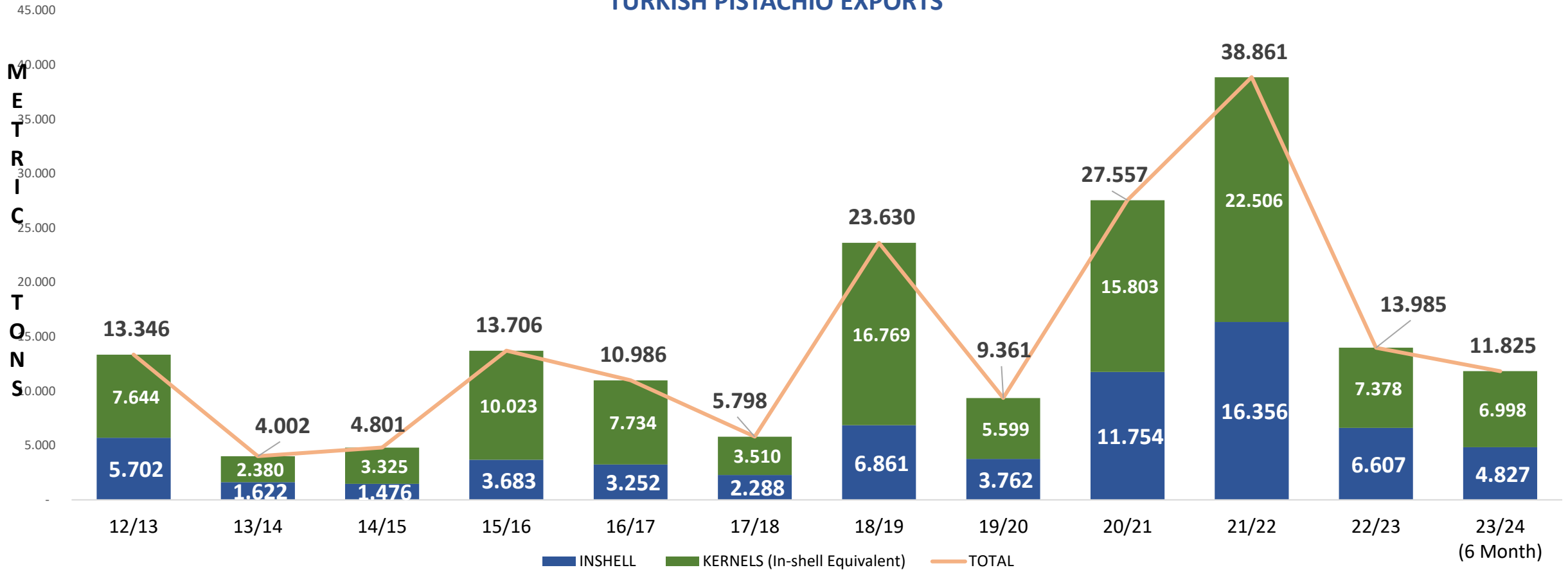


Türkiye Production

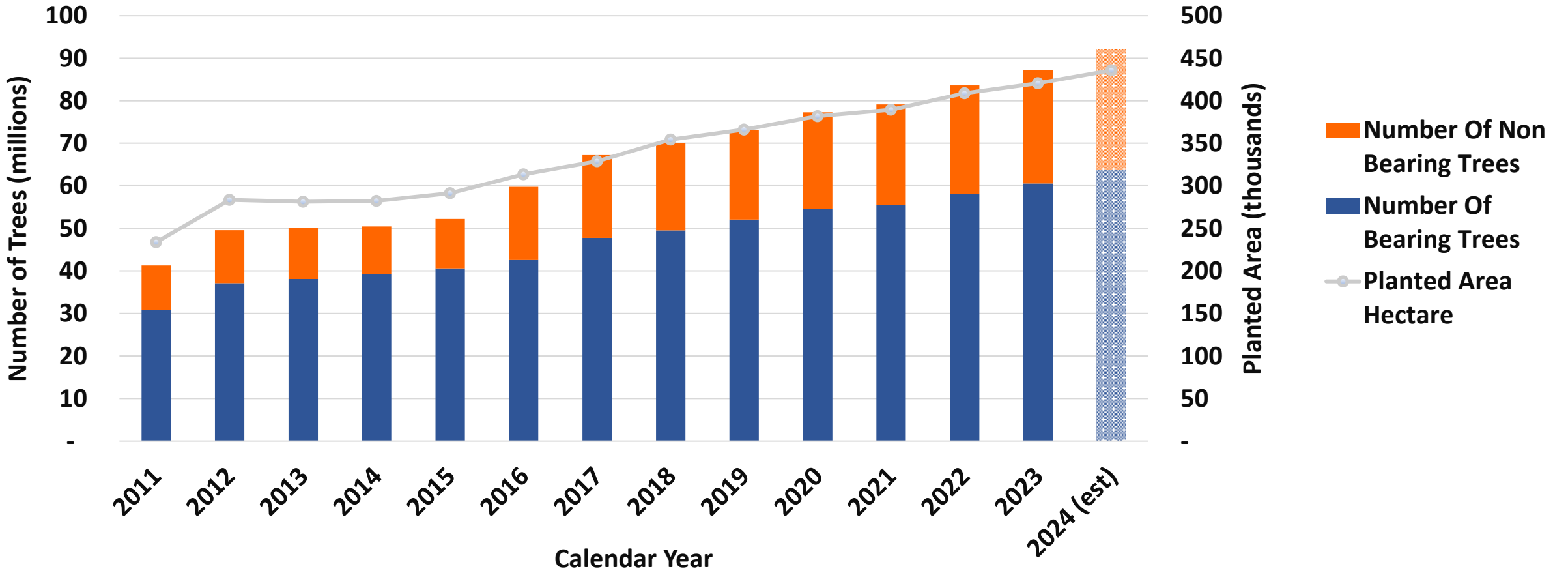


Türkiye Shipments

TURKISH PISTACHIO EXPORTS



Türkiye Plantings

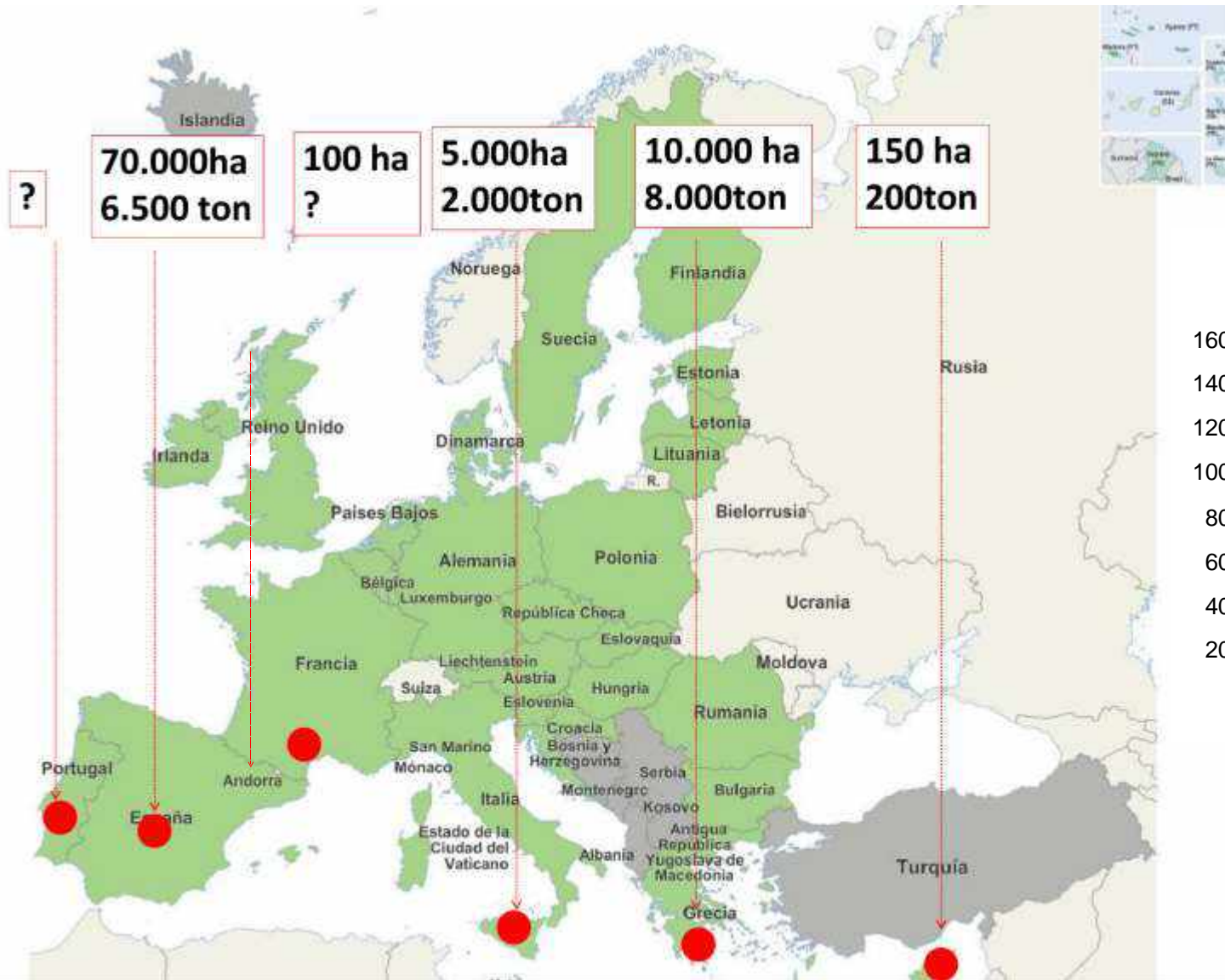


Türkiye Domestic Consumption

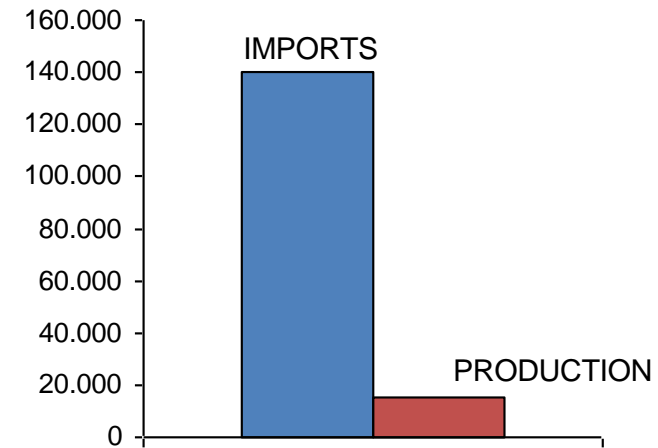


SPAIN INDUSTRY UPDATE

European Overview

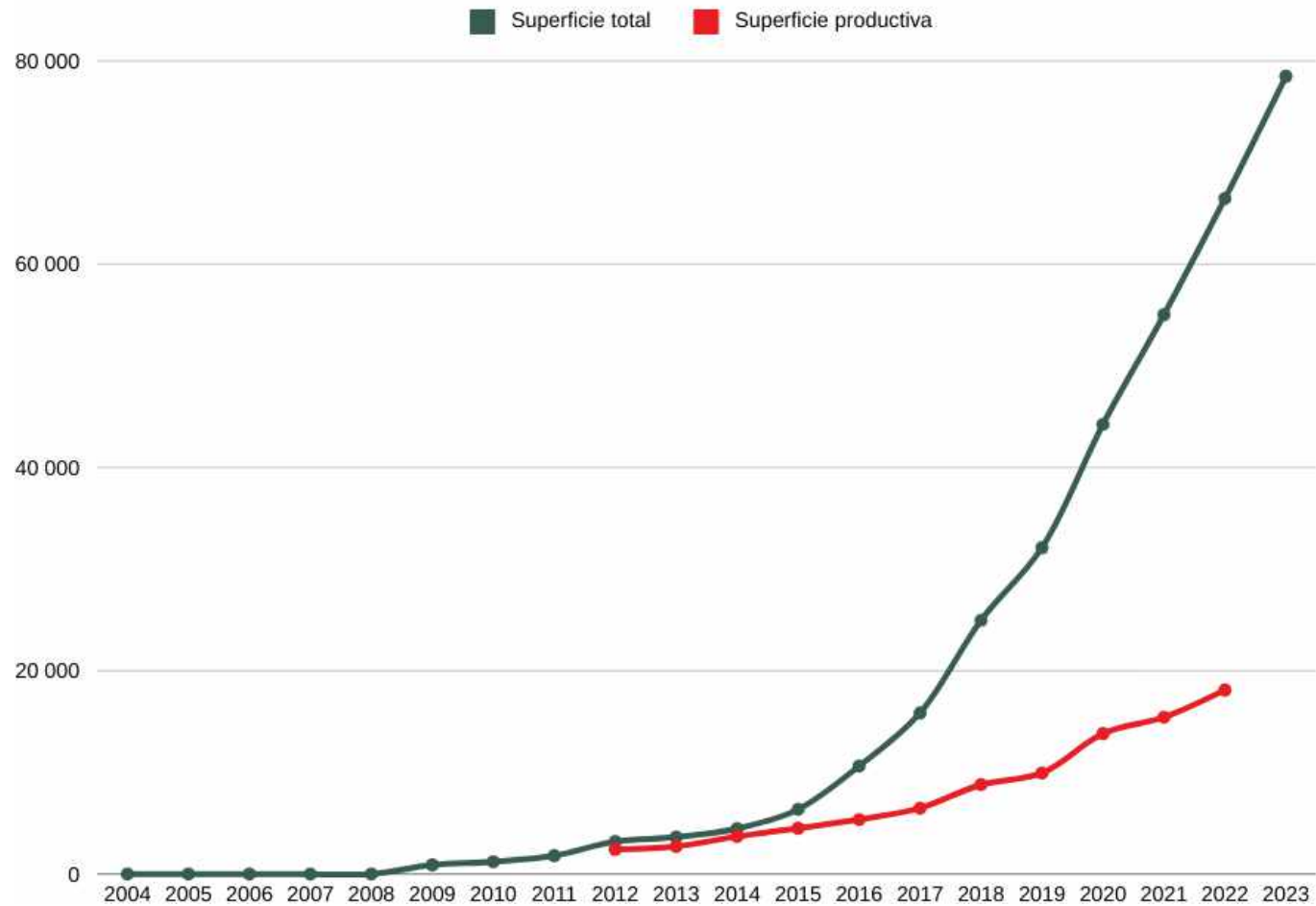


TONS/YEAR WITHIN EU



SPAIN INDUSTRY UPDATE

Cultivated surface and production



SOME TIPS:

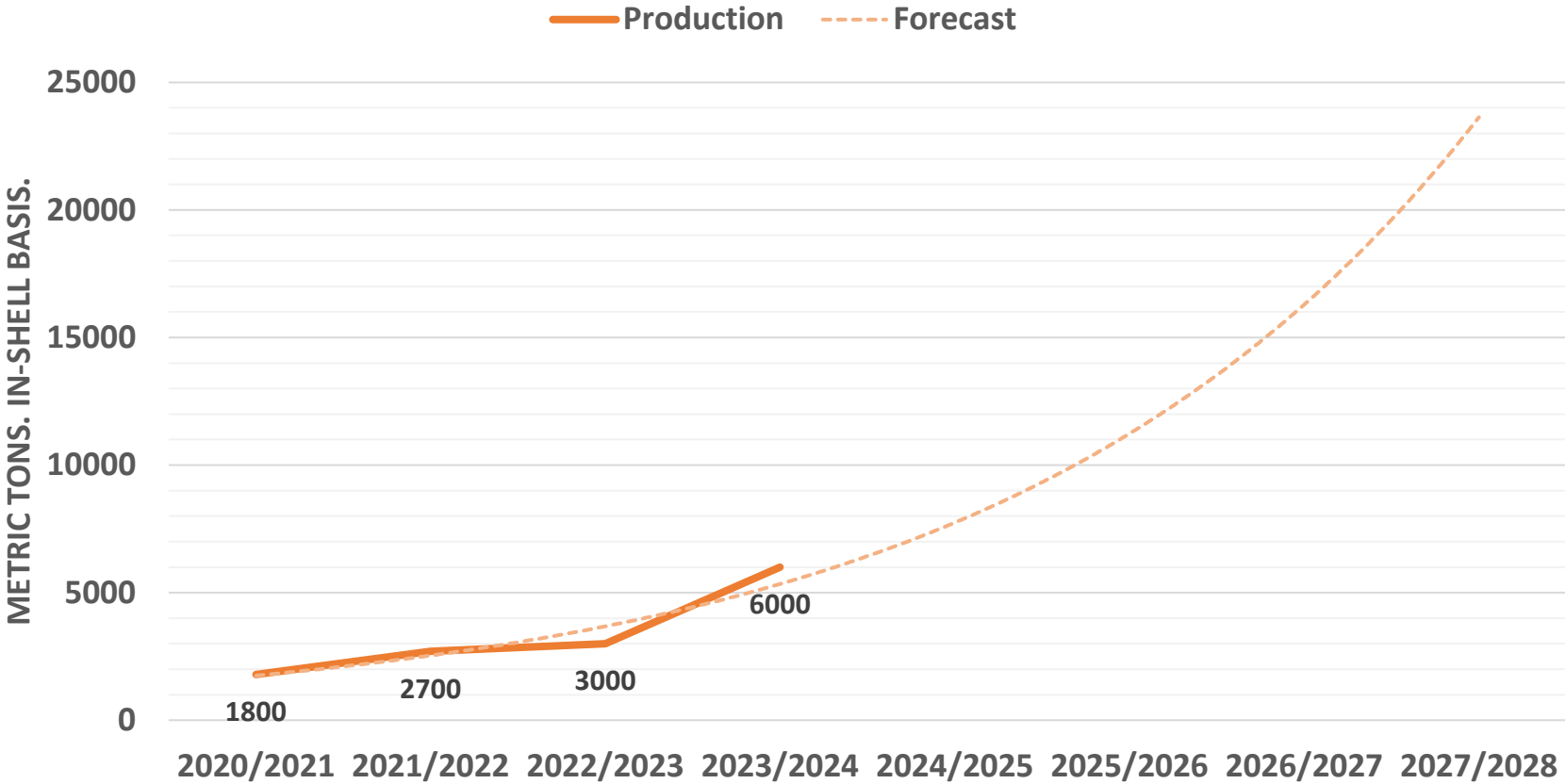
- 70% rainfed surface
- 30% irrigated surface
- Kerman cultivar: 80% of total current production
- Cultivated Surface (2024): 78.000 ha
- Bearing Surface (2024): 18.000 ha
- Mature tree Surface (2024): <10.000 ha
- Current production: 6.500 tons



SPAIN INDUSTRY UPDATE

Forecast

Production and Forecast



ALLEGED SCENARIO IN 2028:

- 20% mature bearing
- 30% irrigated surface
- 70% rainfed Surface
- Rainfed yield: 400 kg/ha
- Irr. yield: 1 000kg/ha
- Year 2028/29: minimum **10-15.000 tons** out of 25.000 hectares (10% of total demand)



SPAIN INDUSTRY UPDATE

Conclusions

SPAIN AIMS TO BECOME ONE OF THE MAIN PISTACHIO PROVIDERS OF EUROPEAN UNION → *Will provide 10% of total demand in 5 years*

HIGH TECHNICAL KNOW-HOW AT ORCHARD AND INDUSTRY LEVEL → *able to provide pistachio at competitive prices*

LOGISTICAL FACILITY → *to provide pistachio within EU common market*

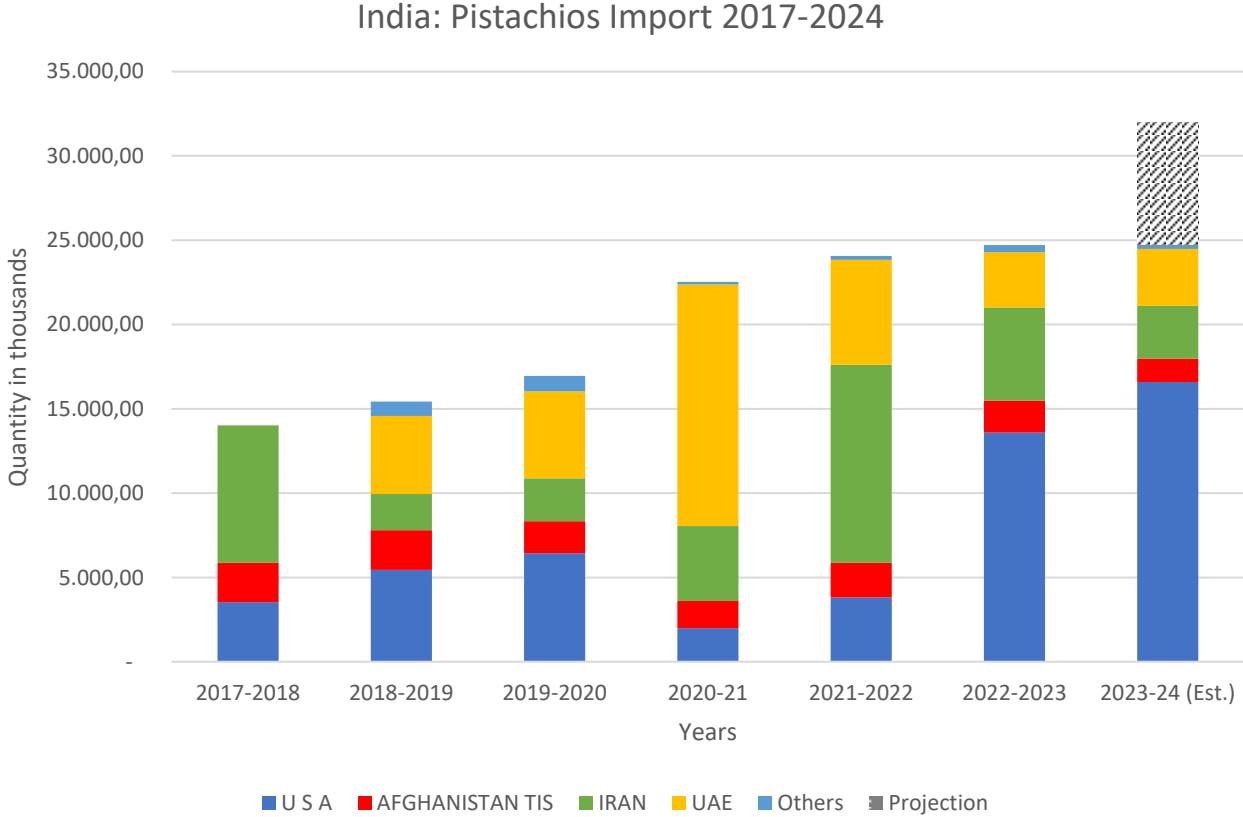
GREAT ORGANOLEPTIC CHARACTERISTICS → *rainfed or low volumen irrigation allows less intensification, thus better flavour*

QUITE A FEW CHALLENGES AHEAD → *economy scale to be reached at orchard and processing level; union of the sector; financing promotion and market reach, administrative and legal obligations to be eased by the regional and national governments at orchard and industry level.*

A PROMISING FUTURE FOR THE SECTOR BUT NOT AN EASY PATH TO CARVE!



India Market Overview



- **Production:** There is no commercial production of pistachios in India.
- **Consumption:** Expectation for MY 2023/2024 is expected around 32,000 MT.
- **Projection:** India's market for pistachios is expected to reach 50,000 MT in MY 2026/2027.



India Retail Conference Highlights

- Over 40 stakeholders from leading retailers, e-commerce players, and Nuts & Dryfruits across India attended the conference.
- Showcased how pistachios significantly propelled the Nuts & Dryfruits category to the next level in the retail industry across China, Europe and the US.
- Develop a strong distribution network, that ensures increased accessibility and availability will be crucial in promoting healthy snacking habits
- Promote healthy snacking and educate consumers about the superior health benefits of pistachios to drive consumer demand.



Retail Conference to Build the Category

Wonderful Pistachios & Almonds collaborated with the **Nuts and Dry Fruit Council of India** to hosted the first-ever Retail conference "Get Crackin': Decoding the Potential of Pistachios" in Bengaluru, India last year.

The conference aimed to showcase the potential of pistachios in boosting the category of dry fruits and nuts in retail for both offline and online modern trade players.



Panelists L to R:

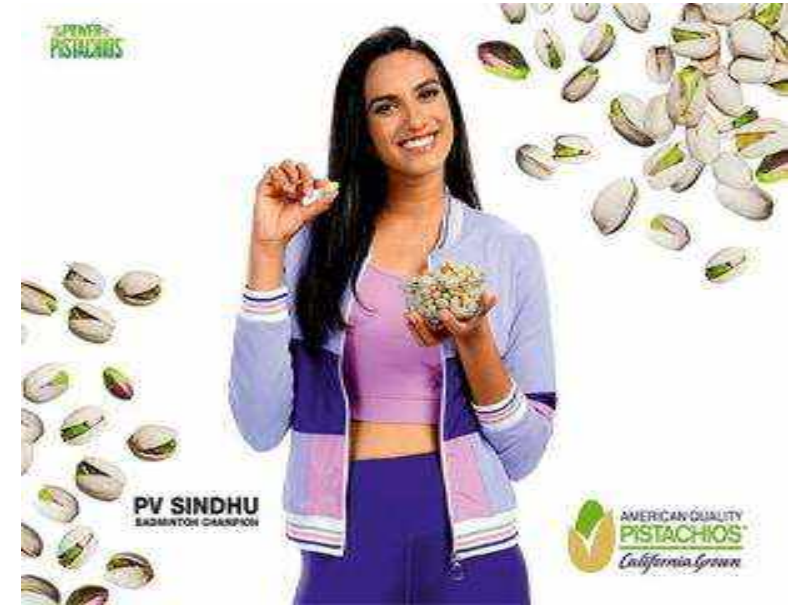
Shail Pancholi - Moderator, Gunjan Jain, President NDFC(I) and MD & CEO of VKC Nuts Pvt. Ltd., Raja M, National Category Head at BigBasket and Simrun Chopra, Health Coach & Founder - Nourish With SIM



Pistachios in Indian Retail



Pistachios Marketing in India



Celebrity Endorsements and participation in retail and Industry Events



World Pistachio Day Campaign

Partnered with influencers to promote healthy snacking with California Pistachios & highlighting their nutritional value

#CrackItSnackIt

4.3M

REACH

5.5M

IMPRESSIONS

631K

ENGAGEMENT



[Sameera Reddy](#)



[Jagriti Pahwa](#)



[Pooja & Karan](#)



[Nisman Parpia](#)

PR and Health KOL Campaigns

REACH - 44M
READERSHIP - 285M



Q&A

