



SWEET HARVEST FOODS



Fourth Quarter 2022

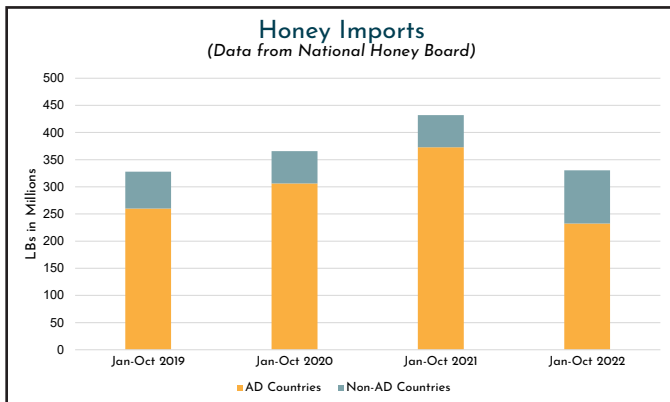
HONEY MARKET UPDATE

ANTI-DUMPING UPDATE

- Critical Circumstances appeal has been filed by SHF and other honey packers. Expect decision on retroactive duties in mid-2023.

MARKET UPDATES

- YTD honey imports are down 25% vs. '21, but are in-line with pre-pandemic levels.
- Notable import gains seen by Mexico and Uruguay.
- Reduced US honey crop expected due to weather



Honey imports are returning to pre-COVID (2019) levels.

ADDITIONAL UPDATES

Logistics:

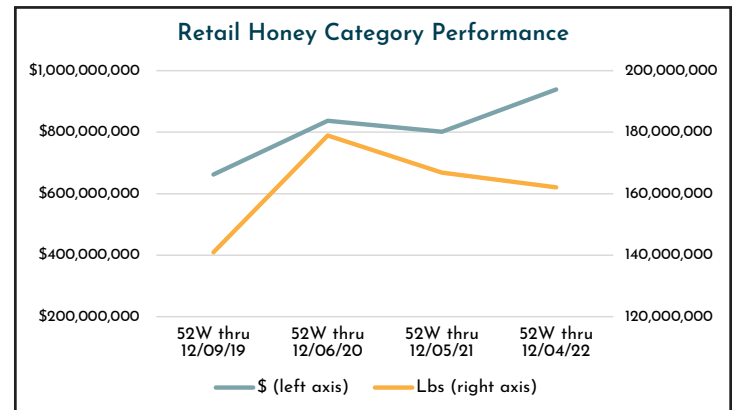
- Ocean capacity is freeing up, leading to softening of overseas freight rates.
- Backup at Long Beach, CA port has been cleared.
- Rail delays due to port yard congestion.
- Railroad strike averted with Senate and House imposed labor contract.

KEY TAKE-AWAYS

- Honey import and consumption volumes appear to be returning to pre-pandemic levels.
- Inflationary factors are driving shifts across the industry.
- Supply-chain bottlenecks are showing signs of easing.
- FDA sampling found 10% of imported honey was adulterated.

Retail Honey:

- Retail volumes falling below 2020 levels while sales dollars reach an all-time high.
- YTD retail prices +20-25% vs. 2021.



Honey volumes are down but dollars remain high due to inflation.

* Data from IRI

- FDA sampled imported honey during 2021-2022 and found 10% to be adulterated, vs. 13% in Canada and 14% in Europe.

