



SWEET HARVEST FOODS



First Quarter 2023

HONEY MARKET UPDATE

MARKET UPDATES

- Select honey prices are coming down off their anti-dumping highs, partly due to easing of supply chain issues.
- US beekeepers moving from almond pollination to citrus crops in FL and CA.
- Indian beekeepers are increasing certification of organic honey.
- Industry showing some honey demand softness from European end-users.

ANTI-DUMPING UPDATE

- Critical Circumstances appeal has been filed by SHF and other honey packers. Expect decision on retroactive duties in late-2023.
- Period of Review 1 (POR1) concludes in May 2023, with revised duty rates issued around January 2025.

ADDITIONAL UPDATES

Logistics:

- Port conditions at pre-pandemic levels.

Economic indicators:

- Concerns ramping up over possible recession.
- Inflation continues to be high.
- Two American Banks collapsed in March 2023.

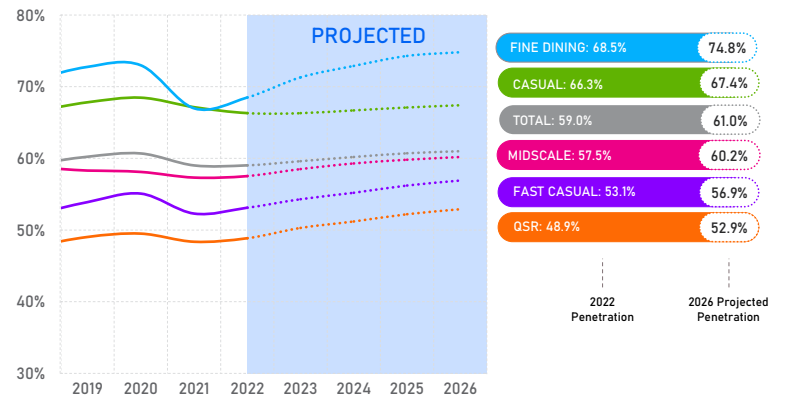
Foodservice 2023 projections:

- While supply chain challenges ease, a labor shortage continues.
- After two years of growth, foodservice is expected to be flat for '23 and '24, mainly due to inflation. Growth is projected at 0.1% each year.

KEY TAKE-AWAYS

- Port conditions are back to pre-pandemic levels.
- Inflationary and recessionary concerns are still present.

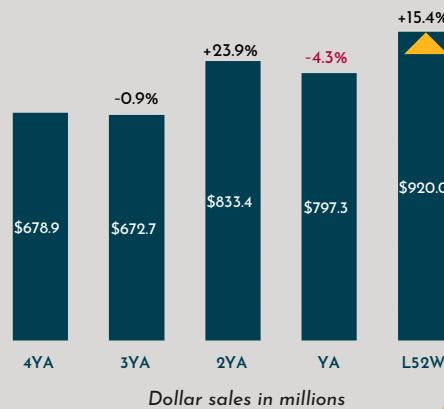
HONEY PENETRATION IN FOODSERVICE



*Source Datassential: MenuTrends and Haiku for MenuTrends YE JUN 22, PENETRATION: % of restaurants that offer honey.

Honey has seen very strong growth on menus, and rebounded slightly this past year after the pandemic driven menu cuts.

RETAIL HONEY SALES REACH \$920 MILLION



Retail honey saw double digit dollar growth in the last 52 weeks however, unit sales are only up 0.1%.

* Data from NIQ Discover, Total US xAOC, Latest 52 Weeks Ending 11/05/2022

