

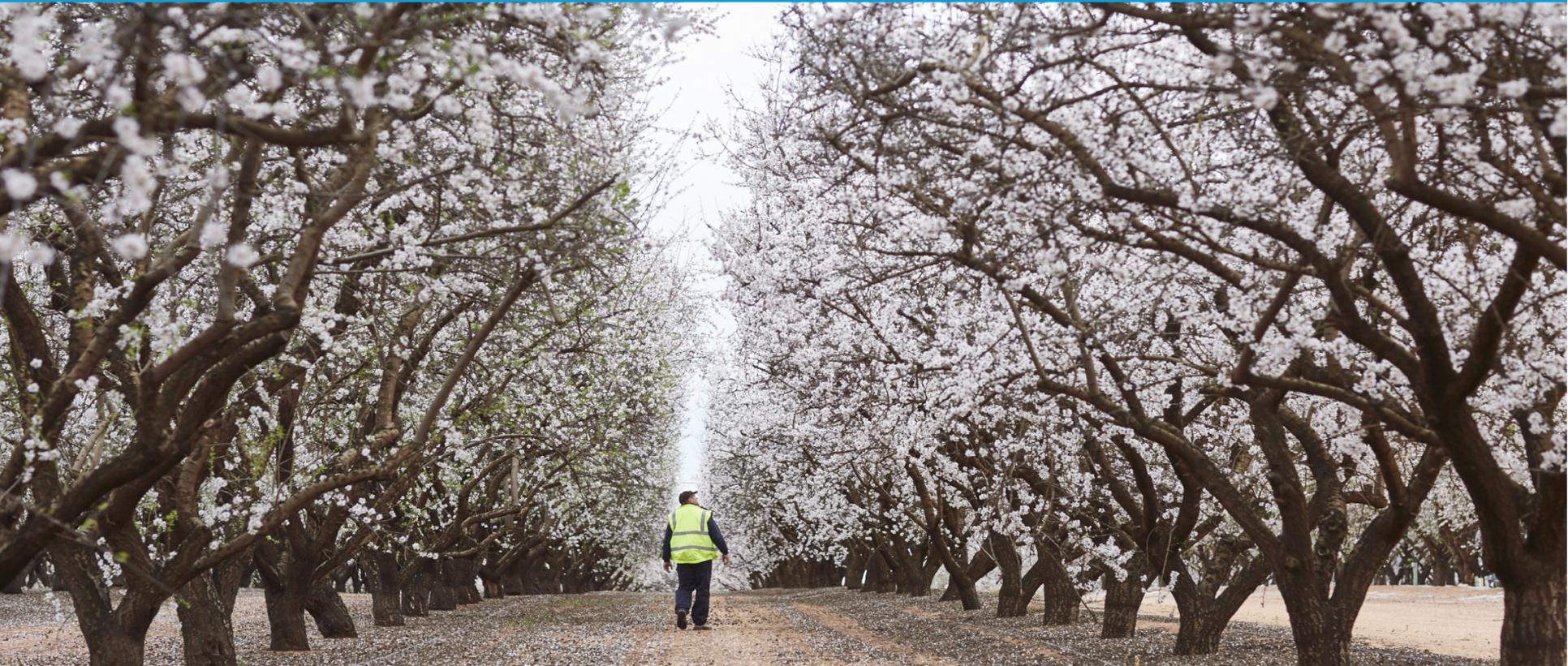


SELECT HARVESTS

Credit Suisse – Food and Beverage Focus Day

Paul Thompson - Managing Director

4 April 2019



Disclaimer & Basis of Preparation

This presentation is provided for information purposes only and has been prepared using information provided by the company. The information contained in this presentation is not intended to be relied upon as advice to investors and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors should consider their own individual investment and financial circumstances in relation to any investment decision.

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The Select Harvests Limited financial statements are prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Corporations Act 2001. This includes application of AASB 141 Agriculture in accounting for the current year almond crop, which is classified as a biological asset. In applying this standard to determine the value of the current year crop, the Company makes various assumptions at the balance date as the selling price of the crop can only be estimated and the actual crop yield will not be known until it is completely processed and sold. The resulting accounting estimates will, by definition, seldom equal the related actual results, and have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Agenda

Select Harvests Overview

Business Outlook

China Update

Select Harvests Technology Adoption



Select Harvests



■ Overview

- Listed on the ASX (SHV), with a Market Capitalisation of \$620m (1 April 2019) and 551 employees
- Assets in Victoria, New South Wales and South Australia

■ One of the largest almond growers globally

- 7,677 planted hectares of Australian almond orchards
- 36% of our orchards will reach maturity over the next 8 years, underpinning future growth
- State-of-the-art almond processing facility at Carina West, North West Victoria

■ Diversified 'better for you' branded plant food portfolio

- Market leading brands: Lucky, NuVitality, Sunsol, and Allinga Farms supplying wholesalers, manufacturers and retailers in both domestic and export markets.
- Value-added processing facility in the Northern Suburbs of Melbourne: snacking and cooking nuts, seeds, health mixes and muesli
- Industrial Division supplies food processors throughout Asia specially the baking industry
- Private label supplier

■ Export focused business, with Asia the key target market

- Bulk & value added almond supplier to Europe, Middle East and Asia
- Exclusive Trademark License & Distribution Agreement with PepsiCo Foods (China) Co. Ltd
- Separate to the PepsiCo agreement, our brands are being sold in Indonesia, Singapore, Hong Kong and Thailand
- Private label supplier

We supply the world with a growing volume of high quality, plant-based food products



Select Harvests – in control of our destiny



Select Harvests – Values

Values

Trust & Respect

Treat all stakeholders with trust and respect

Integrity & Diversity

All decisions and transactions will not compromise the integrity of the organisation or individual

Sustainability

Our focus is on the long-term sustainability of our environment, business and community

Performance

Exceed expectations on a daily basis

Innovation

Constantly challenge ourselves to improve everything

Vision: To be a Leader in the Supply of Better for You Plant-Based Foods

Our Value Proposition

A *Best in Class* Global, Australian-based, Vertically Integrated Business

Highly motivated and inclusive workforce based on integrity and diversity

High Quality, Sustainable Plant Based Products

Publicly Listed, Financially Strong

Leader and Innovators in Branded Plant-based Foods

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2019 Business Update

Almond Division Production Costs

- Our focus on productivity, technology and improved horticultural practices has led to a reduction in production costs per kg
- Ongoing strategic water portfolio management has minimised our exposure to very high temporary water prices this season
 - We have secured all our water for the 2019 growing season
- Water costs have been offset by volume leverage, cost control, high almond prices and additional hull and shell revenue

Packaged Consumer Business

- The Consumer Division sales to China remain in line with our expectations
 - Sam's Club China's first order of Almonds and Macadamia's in jars have successfully been delivered
 - PepsiCo Agreement is meeting internal forecasts
- Consumer domestic sales remain in line with expectations, with demand for plant-based products continuing to grow

Industrial/Trading Business

- Our focus remain on maintaining relationships in key markets like India and increasing penetration into the China market
- The Industrial Division continues to see strong demand in both domestic and export markets. Continued growth in demand for value-added products produced in our Parboil facility

People & Environment

- Lost Time Injury Frequency Rate down 57% YTD vs. prior year
- Nil environmental incidents

Select Harvests 2019 Crop & Price Estimate

2019 Harvest is progressing well

- Seasonal growing conditions have been favourable
- Around 50% of the harvest is complete, with ideal dry conditions
- Completion is expected around the end of April

Processed crop is above expectations

- 25% of the forecast crop has been processed to date
- New technology resulting in high in-shell yield, improved quality and increased productivity
- So far, the processed crop is 10% above expected industry benchmark volumes

Market Outlook

- The combination of a lower 2018 Californian crop and strong demand from China has had a positive impact on the Australian market
 - Current estimate for the Californian crop of 2.26 billion pounds versus the Objective Estimate of 2.45 billion pounds
- Due to strong export demand, we expect limited U.S and Australian crop carry-over into 2019.

2019 Price Estimate

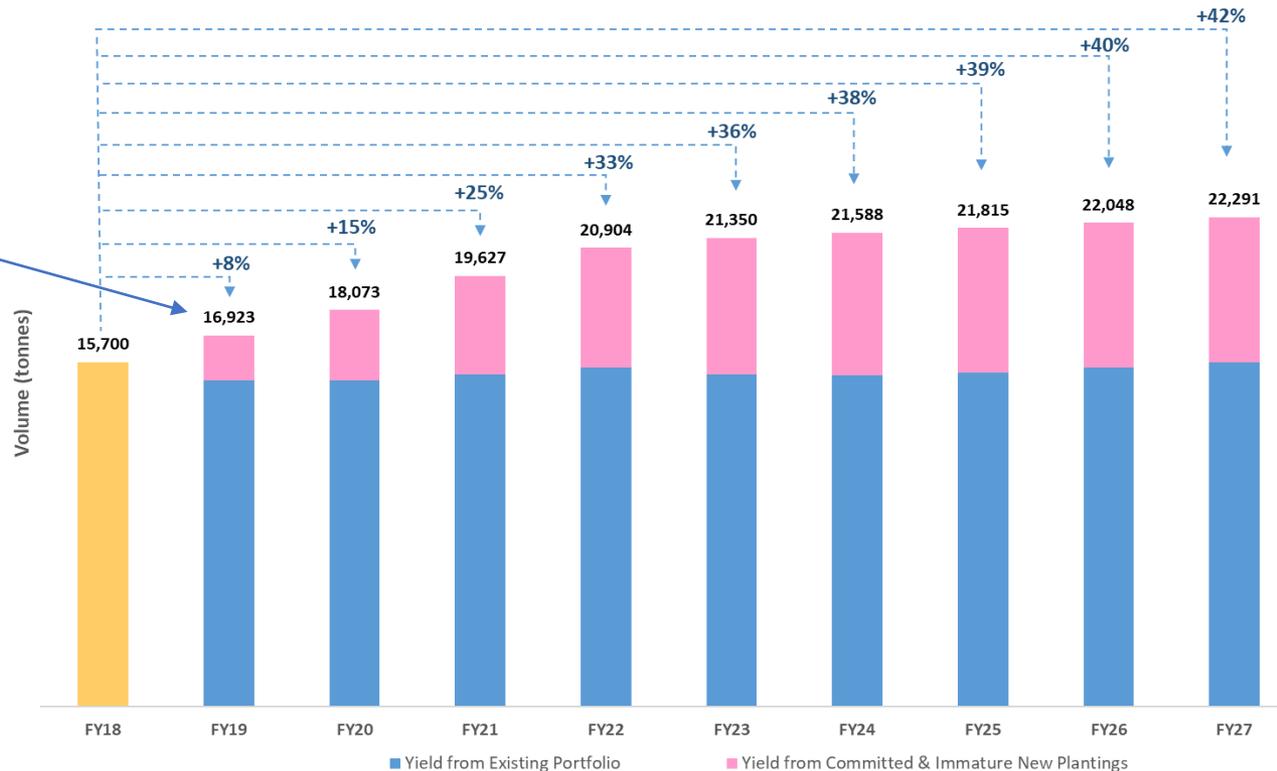
- Over 50% of Select Harvests 2019 crop has been committed
- The first shipment of in-shell products are being received by our customers this week
- FY2019 almond price forecast range is between A\$8.40 – A\$8.70/kg, with 70% of the estimate crop volume USD hedged

Harvest is progressing well, with favourable conditions. Almond demand & pricing remain strong

Almond Volume Growth

SHV Theoretical Harvest Volume 2018-2027

(Basis: 1.2 Tonnes per Acre at Maturity Yield)



25% of the crop has been processed to date

Processed crop is tracking 10% above benchmark

Investment in almond orchards ensures underlying organic earnings growth



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2019 Operational Priority List

Continue Zero Harm and Wellbeing Focus

- Prevent injury before it occurs
- Improve our safety performance and individual wellbeing

Optimise the Almond Base

- Ongoing focus on productivity and increased yields
- High quality product with low percentage of manufacturing grades
- Project Parboil (Almond value-adding facility)
- Project H2E (Biomass electricity cogeneration facility)
- ERP System implementation
- Invest to Mitigate Risk
 - Frost Fans
 - Water Efficiency
 - Technology Adoption

Grow our Brands

- Reinvest in our key Lucky and Sunsol brands
- Execute on growth opportunities in export markets
- Project Parboil (Almond value-adding facility)
 - New product development
- ERP System implementation
- Technology Adoption

Maintain a solid balance sheet



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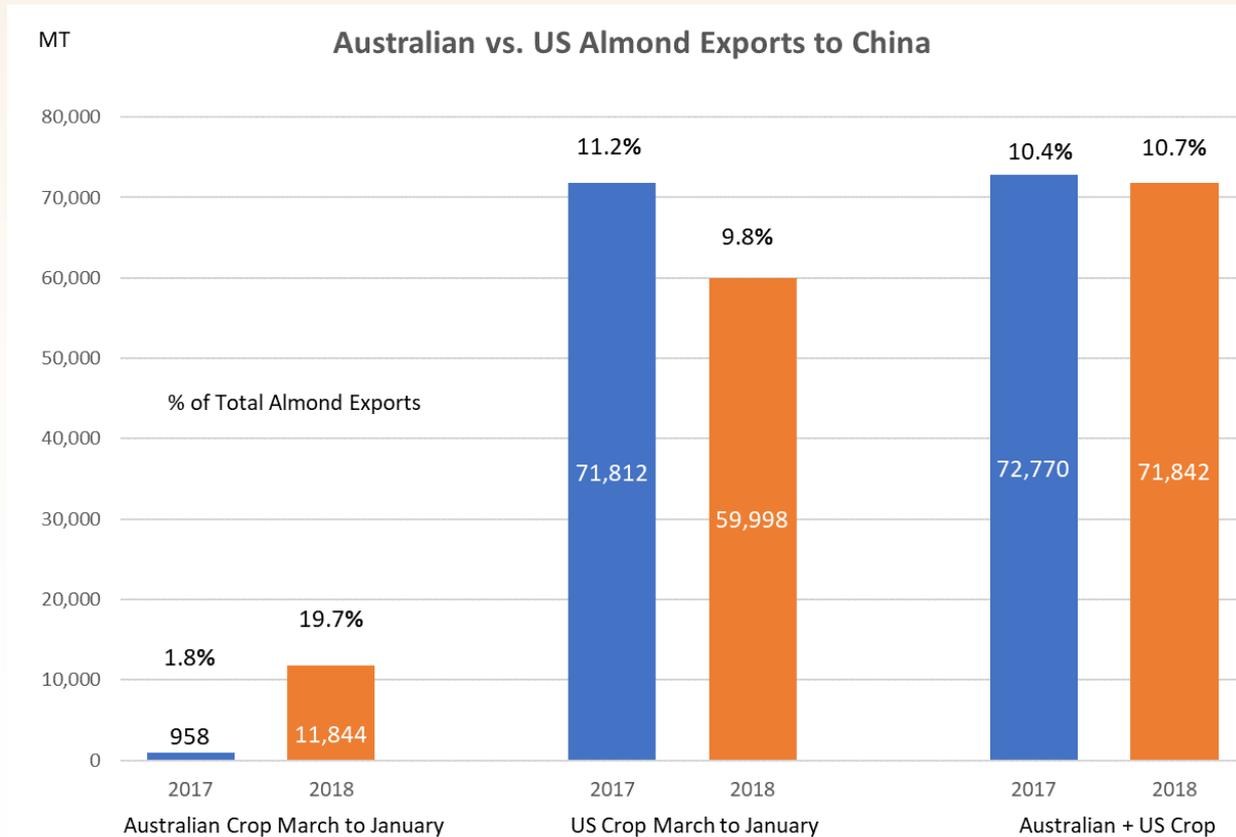
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Select Harvests China Business



SHV's China business is developing well, inline with our expectations

Almond Exports to China



Source: Californian and Australian Position Reports

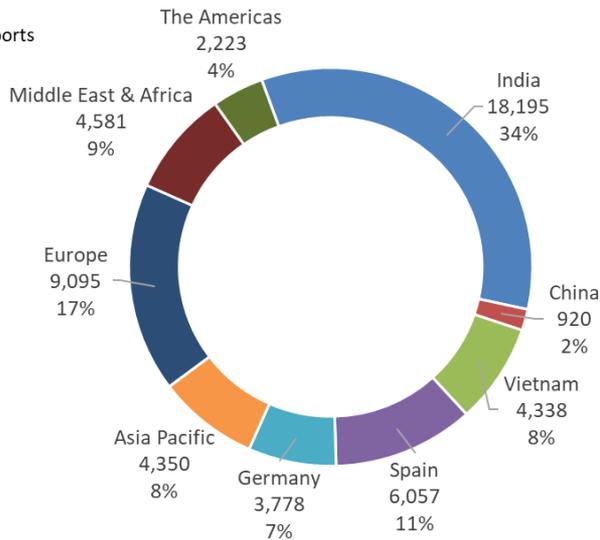
Australian almond exports to China increased significantly in 2018

Australian Almond Exports

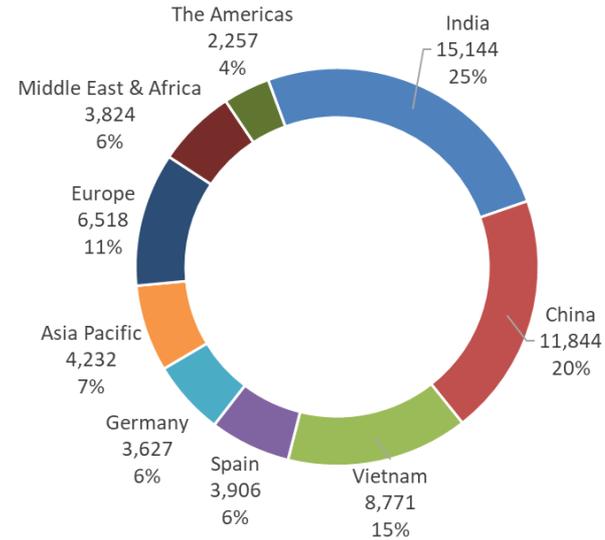


Season 2017 (YTD)

MT's
% of Total Exports



Season 2018 (YTD)



Season YTD = March to January
 China exports include Hong Kong
 Regional Blocks exclude the individual countries highlighted in the charts

Source: Australian Almond Board Position Report

Vietnam has become an important trading and value-added hub for the rest of Asia



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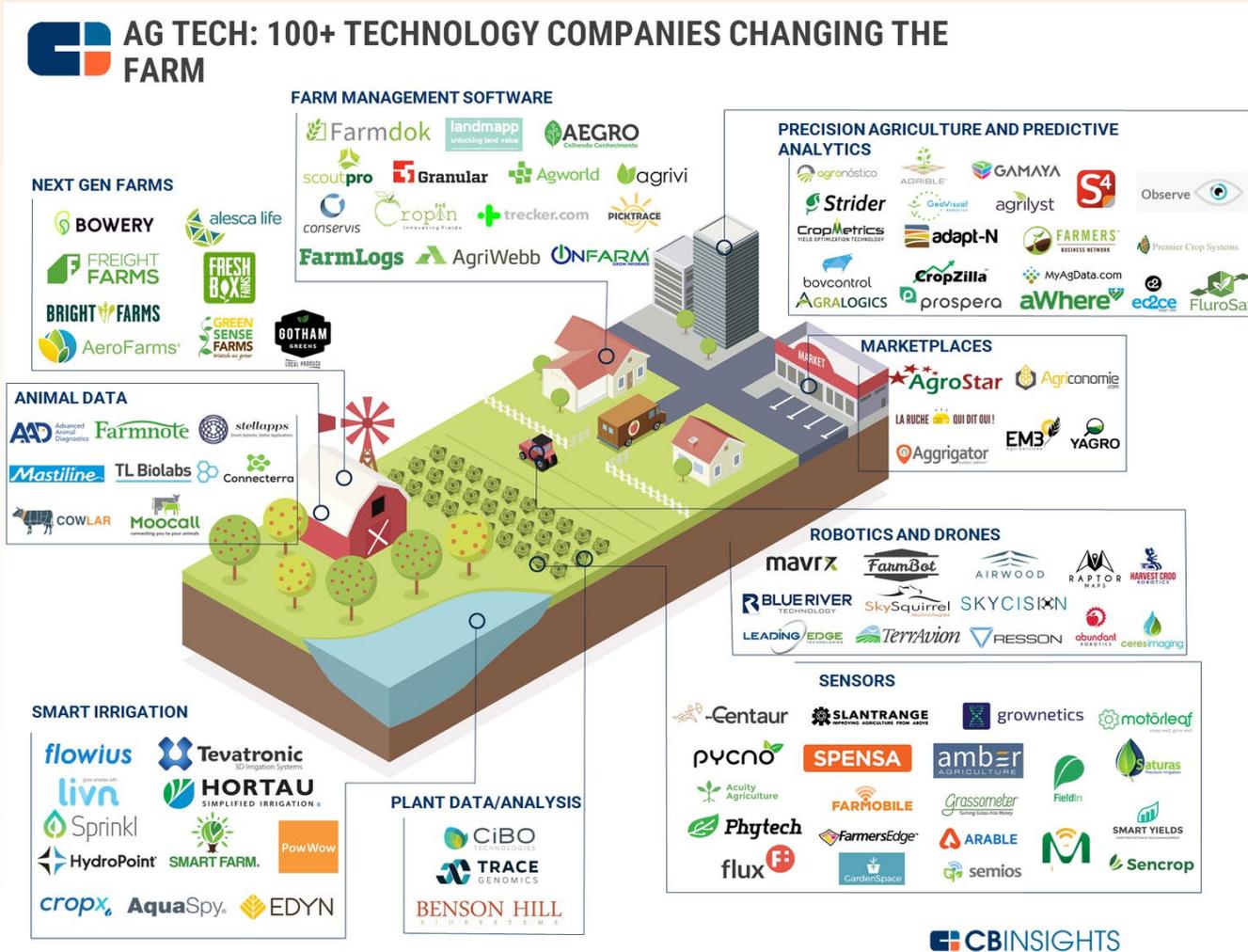
Technology is Advancing performance at Select Harvests



Press CTRL right click on the link below to get the video to appear – then press play

<https://vimeo.com/315326919>

AgTech is Powering the Future of Farming



Source: iGrow.News



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Select Harvests Technology Adoption



Farm Management Software

- Real time asset management now a possibility with improved connectivity

Smart Irrigation

- Good water management drives orchard performance
- Remote monitoring and irrigation controls in place

Precision Agriculture and Predictive Data Analytics

- **Q cify**, our new automated QA system, leverages machine learning
- In addition to reducing cost and increasing accuracy, Q cify has the ability to help us benchmark globally

Sensors

- **Phytech's** sensors, on selected trees, continuously measure changes in trunk diameter
- The sensors protect yield reducing stress by immediately alerting farmers on a mobile app and web platform.

Robotics & Drones

- **Ceres Imaging** is a water and fertilizer (nutrition) management tool
- Allows us to assess both medium and long term orchard trends as well as a snap shot in time

Data analysis is a large component of future productivity improvement

