

FROM THE DESK OF THE CEO (48/17)

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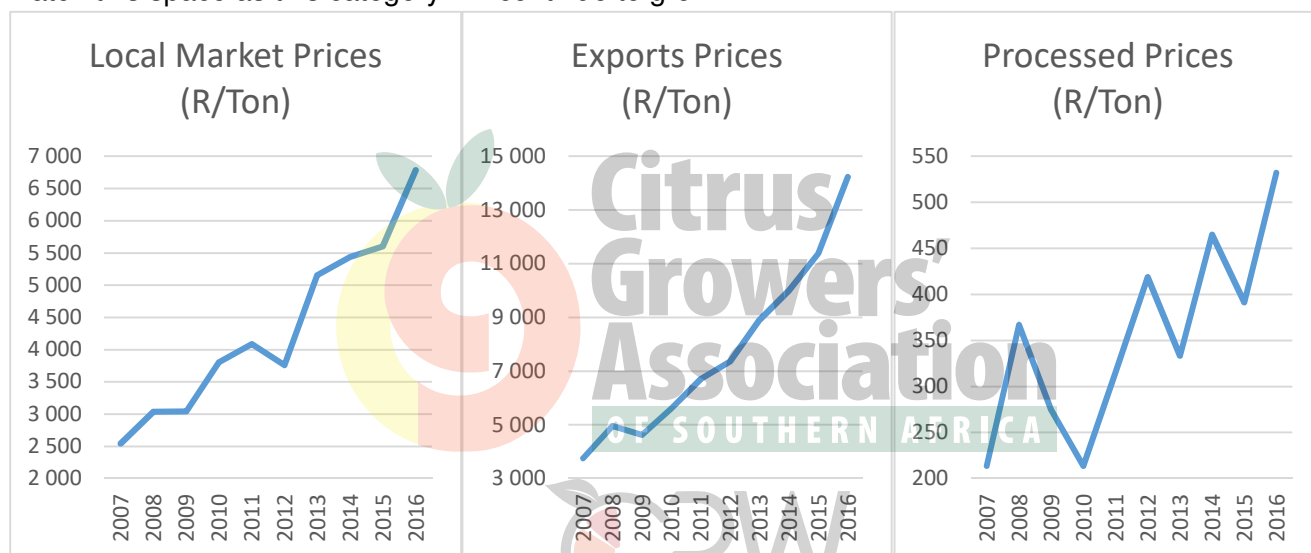
Justin Chadwick 15 December 2017



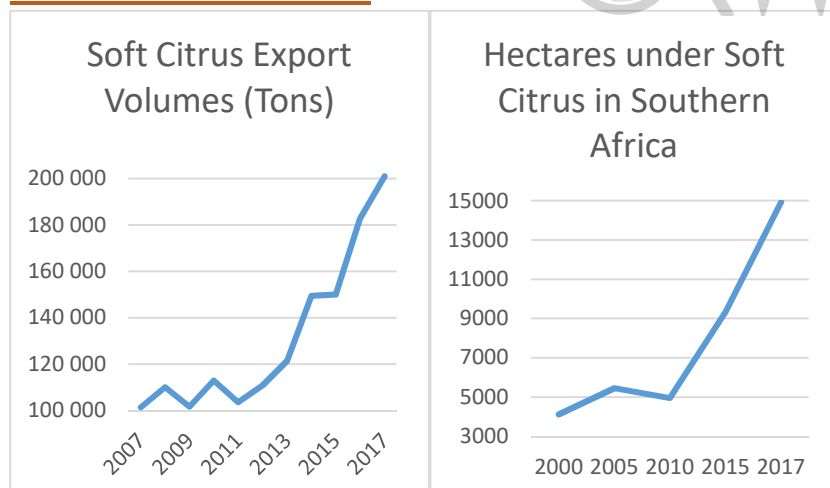
“Life is like riding a bicycle. To keep balancing you must keep moving” Albert Einstein

SOFT CITRUS REVIEW

Most significant citrus producing and exporting countries around the globe have built their industry on the back of soft citrus – unlike South Africa which is dominated by the orange category. This is beginning to change as both the local market and export prices attract more growers to the category. Soft citrus is not a great fruit for processing – as reflected in the erratic and low processed prices. Generally, soft citrus are categorized as satsuma, clementine and mandarin types. The satsuma types have remained static at around 1.7 to 1.9 million export cartons over the past three years, while clementine's have increased from 5.7 million in 2015 to 8.8 million export cartons in 2017 (a 50% increase). The mandarin category has increased by 35% from 9.9 million to 13.4 million export cartons; watch this space as this category will continue to grow.



LONG TERM CHANGES



Since 2010, growers have developed an appetite for planting soft citrus, with plantings increasing threefold. Most of these plantings have been in the later mandarin varieties. There are also some new growers to the category whose tree census has not been captured, and so the area is likely to be even higher. By 2014, the increased area started to influence export volumes – with record volumes experienced in 2017.

SOFT CITRUS SHIPPING 2017

The UK remains the most popular destination for southern African soft citrus – with 4 million cartons in 2016 and 2017. Exports to the remainder of the EU also remained static at 3.2 million cartons. Four regions were at the 1 million carton mark in 2016; Eastern Europe (predominantly Russia) grew to 1.4 million in 2017, South East Asia to 1.3 million and North America to 1.2 million. Middle East remained at 1 million for the 2017 season.

THE CGA GROUP OF COMPANIES (CRI, RIVER BIOSCIENCE, XSIT, CGA CULTIVAR COMPANY, CGA GROWER DEVELOPMENT COMPANY & CITRUS ACADEMY) ARE FUNDED BY SOUTHERN AFRICAN CITRUS GROWERS